



PUBLIC DISCLOSURE

March 17, 2014

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

NBT Bank, National Association
Charter Number: **1354**

52 South Broad Street
Norwich, NY 13815

Office of the Comptroller of the Currency

5000 Brittonfield Parkway
Suite 102B
East Syracuse, NY 13057

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 **NBT Bank, National Association** with respect to the Lending, Investment, and Service Tests:

Performance Levels	NBT Bank, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		
Low Satisfactory		X	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 an excellent responsiveness by NBT to the credit needs of its assessment areas (AAs).
- Excellent distribution of loans among borrowers of different income levels throughout the AAs.
- Adequate geographic distribution of loans among census tracts of different income levels throughout the AAs, along with an excellent ratio of loans originated inside the AAs.
- Community development (CD) lending that had a positive impact on the bank’s lending performance.
- Flexible lending products that had a positive impact on the bank’s lending performance.
- Investments that reflect an adequate responsiveness to the credit and CD needs of the AAs.
- Service delivery systems that are reasonably accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing CD 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 metropolitan area/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 (CD): 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 (MSA): 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) 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

NBT Bank, National Association (NBT) is an interstate bank headquartered in Norwich, New York, and operates in the states of New York, Pennsylvania, Vermont, Massachusetts and New Hampshire. The bank expanded into Massachusetts beginning in October 2011 with the purchase of four branches from Berkshire Bank, followed by the opening of two new branches in February 2012 and January 2014. The bank expanded into New Hampshire in June 2012 through the acquisition of Hampshire First Bank. NBT broadened its presence in New York State through the purchase of Syracuse, New York-based Alliance Bank in March 2013. NBT is a wholly owned subsidiary of NBT Bancorp, Inc. (NBTB), which had average assets of \$7.5 billion as of December 31, 2013. In addition to NBT, NBTB also has several other subsidiaries, which include NBT Financial Services, Inc., NBT Holdings, Inc., and Hathaway Agency, Inc. Through NBT Financial Services, Inc., NBTB operates EPIC Advisors, Inc. and Pennstar Financial Services, Inc. NBT has ten operating subsidiaries: NBT Capital Corp. (NCC), NBT Services, Inc., CNB Realty Trust, Pennstar Bank Services Co., Broad Street Property Associates, Alliance Lease, Alliance Preferred Funding, LA Lease, Colonial Financial Services and FNB Financial Services. The operating subsidiaries had no impact on the bank's capacity to lend in its AAs.

NBT is a full service bank with 158 branches serving central, northern, eastern, and southern New York, northeastern Pennsylvania, one county in northwestern Vermont, western Massachusetts and southern New Hampshire. NBT's AAs cover 25 counties in New York State, six counties in Pennsylvania, one county in Vermont, one county in Massachusetts and three counties in New Hampshire. In Pennsylvania, NBT operated under the name of Pennstar Bank until March 10, 2014, when it began operating as NBT Bank.

NBT offers a wide range of financial services. In addition to traditional deposit and loan products, NBT also offers trust services. As of December 31, 2013, NBT's total assets included \$5.3 billion in net loans, representing 70% of total assets. The bank's loan mix consisted of 58% real estate loans, 25% loans to individuals, 16% commercial and industrial loans, and 1% agricultural loans. As of December 31, 2013, NBT reported net Tier 1 Capital of \$617 million.

NBT operates in a competitive financial services market with a number of large commercial banks, a number of credit unions of various size, and several similarly sized commercial banks and thrifts and smaller community banks and thrifts. NBT is not subject to any known financial, legal or regulatory restrictions that would impede its ability to help meet the credit needs of its AAs.

NBT's last CRA evaluation was March 14, 2011, at which time the bank's performance was rated "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The Lending Test evaluation covers the time period January 1, 2011, through December 31, 2013, for Home Mortgage Disclosure Act (HMDA) loans, small business loans, 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 14, 2011, through March 16, 2014. This represents the time period between the start of the bank's last and current CRA evaluations. The market share and peer comparisons are based on the information contained in the aggregate HMDA

and Small Business/Farm Registers for 2012. The aggregate HMDA and Small Business/Farm Registers are available for public review. Small farm loans were only considered in New York State, as NBT did not conduct farm lending in the other four states. We gave limited consideration to the bank's multifamily dwelling loans, due to the limited activity for this product.

Due to changes in Census Bureau data, separate analyses were required for HMDA, small business and small farm loan data for the 2011 and 2012-2013 time periods. The 2000 Census data was used to evaluate the 2011 loan data, and the 2010 Census data was used to evaluate the 2012-2013 loan data. This report contains tables only for the 2012-2013 period, as this represented a broader period with greater lending activity. The report discussion focuses on the 2012-2013 time period, but includes comments on any performance in the 2011 time period that was significantly different from performance in the 2012-2013 time period. Also, there were several additional AAs added for 2012-2013 time period due to merger and expansion activity.

The peer comparisons in this report include only lenders who were required to file HMDA and Small Business/Farm Registers for 2012. Any lender with significant mortgage loan activity operating in NBT's 16 AAs would be required to file a HMDA report for 2012. Small business reporting for 2012 was required only of bank and thrift institutions with assets of \$1.160 billion or more as of December 31 of the prior two calendar years preceding the reporting year.

Data Integrity

We performed a data integrity examination of the loan information indicated above by reviewing the bank's recent internal testing of the data. We took our own sample of the bank's loan sample to validate the quality of the testing work. The internal testing of the HMDA and the Small Business/Farm Registers was of sufficient scope and quality for us to place reliance on its results.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of AAs within that state was selected for full-scope reviews. Refer to the **Scope** section under each state rating for details regarding how the areas were selected and why they are representative of overall bank performance.

Ratings

The bank's overall rating is a blend of its state ratings for New York, Pennsylvania, Vermont, Massachusetts and New Hampshire. In arriving at the overall rating, the greatest weight was given to the New York rating due to it representing a significantly greater portion of the bank's overall business activity, followed by Pennsylvania, Vermont, New Hampshire and Massachusetts. The states of Massachusetts and New Hampshire only had performance activity in 2012 and 2013, as NBT began operating in Massachusetts in late 2011 and in New Hampshire in 2012. Please refer to the **Description of Operations** section for each state rating for further details.

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 each overall state rating.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance.

The OCC did not identify evidence of discriminatory or other illegal credit practices with respect to this institution.

State Rating

State of New York

CRA Rating for the State of New York:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	High Satisfactory
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- Lending levels that reflect excellent responsiveness by NBT to the credit needs of its AAs.
- Excellent distribution of loans among borrowers of different income levels throughout the AAs.
- Adequate geographic distribution of loans among census tracts of different income levels.
- Community development lending that had a significantly positive impact on the bank's lending performance.
- Flexible lending products that had a positive impact on the bank's lending performance.
- Investments that reflect good responsiveness to the credit and CD needs of the AAs.
- Service delivery systems that are reasonably accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing CD services.

Description of Institution's Operations in New York State

For the 2012-2013 evaluation period, NBT had eight AAs in New York. They include the Southern Tier AA, the Albany Region AA, the Northern NY NonMSA AA, the Utica-Rome MSA AA, the Binghamton MSA AA, the Fulton-Montgomery AA, the Glens Falls MSA AA and the Syracuse NY AA. Only the Syracuse AA was not part of the 2011 evaluation period. NBT has 112 branches within the state, representing 71% of the bank's total branch network. Seventy-nine percent of NBT's total deposits are from New York State. The bank's deposit market share ranks 27th in the state, with .41% of the state's total deposits. During the evaluation period, NBT originated 79% of its total HMDA and small business/small farm loans within New York State.

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

Scope of Evaluation in New York State

We conducted full-scope reviews of the Southern Tier and Albany Region AAs. The two areas combined represent 37% of the total lending activity evaluated in the 2012-2013 time period and 43% in

the 2011 time-period, 43% of the total number of branches, and 45% of the total deposits in the state as of June 2013. The Southern Tier AA was weighted more heavily as 24% of the statewide lending activity (28% in 2011), 32% of the statewide deposits and 29% of the statewide branches are located there. Home mortgage loans were given slightly more weight than small business loans, as they accounted for 50% of the number and dollar volume of loans evaluated. Small business loans followed representing 42% of the number and 44% of the dollar volume of loans evaluated. We gave the least weight to small farm loans, which represented only 8% of the number and 6% of the dollar volume of loans evaluated. Based on number of loans, the HMDA product distribution consisted of refinance loans at 36%, home improvement loans 35% and home purchase loans slightly less at 28%.

Lending in the Albany Region AA did not follow the pattern of overall lending in the state. In the Albany Region AA, we gave more weight to small business lending, as it represented 53% of lending in the AA compared to 44% for HMDA loans. Small farm loans represented 3% of loans in the Albany Region AA.

We conducted four community contacts during this evaluation, one in the Southern Tier AA, two in the Albany Region AA, and one that covered both the Southern Tier and Albany Region AAs. The organizations contacted were involved with affordable housing or community services for low- and moderate-income individuals. One contact in the Albany Region AA covered a number of community groups and thus touched on essentially all areas of community need. The contacts confirmed the significant need for affordable housing and small business lending and assistance in their respective AAs. Some of the other concerns/needs mentioned included technical assistance for small businesses, home ownership counseling, lack of bank branches in low-income communities, high foreclosure rates in lower-income communities coupled with slow moving loan modifications, the need for low fee secured credit cards to help establish credit, and the lack of bank-owned ATMs in lower-income neighborhoods. The need for affordable housing and small business related loans, investments and services in the AAs was considered in our evaluation of NBT's performance in 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 is rated High Satisfactory. Based on full-scope reviews, the bank's performance in both the Southern Tier AA and Albany Region AA was good.

Lending Activity

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

NBT's overall lending activity in the two full-scope AAs is excellent. NBT's lending activity was excellent in the Southern Tier AA. NBT ranked first for deposits with a 34.23% market share. Based on 2012 aggregate HMDA data, NBT was the number one originator/purchaser of home improvement loans with a 30.20% market share, and the number two originator/purchaser of refinance loans (9.59% market share) and home purchase loans (7.18% market share). They were exceeded by a very large national mortgage company. Based on 2012 CRA aggregate data, NBT ranks 4th as originator/purchaser of small

loans to businesses (7.29% market share) and was the number one originator/purchaser of small loans to farms (57.34% market share). In small business lending, NBT was outranked by three large national credit card lenders for the number of loans made. The credit card lenders made average loans of only \$4,000 compared to NBT's average loan of \$87,000. NBT is the number two lender for business loans to small-sized businesses with a 15.24% market share, exceeded by only one national credit card company.

NBT's lending activity in the Albany Region AA was good. In the Albany Region AA, NBT ranked 9th for deposits with a 2.76% market share. Based on 2012 aggregate HMDA data, NBT ranked 4th for home improvement loans (6.21% market share), 32nd for originator/purchaser of refinance loans (.43% market share), and 37th for home purchase loans (.40% market share). Based on 2012 CRA aggregate data, NBT is the 11th largest originator/purchaser of small loans to businesses (1.90% market share) and the largest originator/purchaser of small loans to farms (25.97% market share). In small business lending, NBT is outranked by eight large national credit card companies and two larger banks for the number of loans made. The credit card companies made average loans of less than \$7,000 compared to NBT's average loan of \$137,000. NBT ranked 7th for business loans to small sized businesses with a 3.43% market share and 1st for farm loans to small-sized farms with a 43.59% market share.

Distribution of Loans by Income Level of the Geography

The geographic distribution of NBT's small loans to businesses, home mortgage loans and small loans to farms reflects adequate penetration throughout the full-scope AA census tracts. Performance was adequate in both the Southern Tier and Albany Region AAs. The geographic distribution analysis in the Southern Tier AA is limited to moderate-income census tracts. In the Albany Region AA, the presence of owner-occupied housing is significantly higher in moderate-income census tracts at 11.32%, compared to 4.37% in low-income census tracts.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans was adequate. The geographic distribution was adequate in both the Southern Tier AA and the Albany Region AA.

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 purchase loans was excellent. The geographic distribution was excellent in the both the Southern Tier and Albany Region AAs. The portion of home purchase loans made in moderate-income census tracts in the both AAs exceeded the portion of owner-occupied housing units that are in those census tracts. The portion of home purchase loans made in low-income census tracts in the Albany Region AA approximated the portion of owner-occupied housing units in those census tracts. The market share of loans originated in moderate-income census tracts in the Southern Tier AA was near to, and in the Albany Region AA exceeded, the bank's overall market share of home purchase loans. The market share of loans originated in low-income census tracts in the Albany Region AA was somewhat lower than the overall market share of home purchase loans.

The overall geographic distribution of home improvement loans was poor. The geographic distribution was very poor in the Southern Tier AA and adequate in the Albany Region AA. The portion of home improvement loans made in moderate-income census tracts in the Southern Tier AA was significantly lower than the portion of owner-occupied housing units located in those census tracts. The portion of

home improvement loans made in moderate-income census tracts in the Albany Region AA exceeded the portion of owner-occupied housing units located in those census tracts. The portion of home improvement loans made in low-income census tracts in the Albany Region AA was significantly lower than the portion of owner-occupied housing units located in those census tracts. The market share of loans originated in moderate-income census tracts in the Southern Tier AA was significantly lower than the bank's overall market share of home improvement loans. The market share of home improvement loans originated in moderate-income census tracts in the Albany Region AA exceeded, and in low-income census tracts was significantly lower than, the bank's overall market share of home improvement loans.

The overall geographic distribution of refinance loans was poor. The geographic distribution was poor in the Southern Tier AA and adequate in the Albany Region AA. The portion of refinance loans made in moderate-income census tracts in the Southern Tier AA was significantly lower than the portion of owner-occupied housing units located in those census tracts in the 2012-2013 time period. However, during the 2011 time period, the portion of refinance loans made in moderate-income census tracts was near to the portion of owner-occupied housing units located in those census tracts. The portion of refinance loans made in moderate-income census tracts in the Albany Region AA exceeded the portion of owner-occupied housing units located in those census tracts. The portion of refinance loans made in low-income census tracts in the Albany Region AA was significantly lower than the portion of owner-occupied housing units located in those census tracts. The market share of loans originated in moderate-income census tracts in the Southern Tier AA was significantly lower than the bank's overall market share of refinance loans in the 2012-2013 time period, but exceeded the overall market share in the 2011 time period. The market share of refinance loans originated in moderate-income census tracts in the Albany Region AA exceeded, and in low-income census tracts was significantly lower than, the bank's overall market share of refinance loans.

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 overall geographic distribution of small loans to businesses was adequate. In the 2012-2013 time period, the geographic distribution of small business loans was adequate in both the Southern Tier AA and Albany Region AA. In 2011, the geographic distribution of small business loans was excellent in the Southern Tier AA and good in the Albany Region AA. In 2012-2013, the portion of small loans to businesses made in moderate-income census tracts was somewhat lower than the portion of businesses that are in those census tracts in both the Southern Tier and Albany Region AAs. In the 2011 time period, the portion of small loans to businesses made in moderate-income census tracts exceeded the portion of businesses that are in those census tracts in both the Southern Tier and Albany Region AAs. The portion of small loans to businesses made in low-income census tracts in 2012-2013 in the Albany Region AA was significantly lower than the portion of businesses that are in those census tracts, but was somewhat lower in 2011. The Southern Tier AAs market share of loans originated in moderate-income census tracts exceeded, and the Albany Region AAs market share was somewhat lower than, the bank's overall market share. The Albany Region AA market share of loans originated in low-income census tracts was significantly lower than the bank's overall market share in 2012-2013, and somewhat lower than in 2011.

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 overall geographic distribution of small loans to farms was adequate. The geographic distribution was poor in the Southern Tier AA and good in the Albany Region AA. In 2012-2013, the portion of small loans to farms made in moderate-income census tracts in the Southern Tier AA was significantly lower than the portion of farms that are in those census tracts. However, only a small portion of the AAs small farms are located in moderate-income tracts (i.e., 1.78% of the AA's small farms were located in moderate-income census tracts in 2012-2013 and no small farms were located in moderate-income census tracts in 2011). In the Albany Region AA, the portion of small loans to farms made in moderate-income census tracts exceeded the portion of farms that are in those census tracts in both 2012-2013 and 2011. While the portion of loans made in low-income census tracts in the Albany Region AA was significantly lower than the portion of small loans to farms, the AA has a limited presence of farms (1.78% of AA farms). The Southern Tier AA's market share of loans originated in moderate-income census tracts was lower than the bank's overall market share in 2012-2013. The Albany Region AA's market share of farm loans originated in moderate-income census tracts exceeded the bank's overall market share of farm loans in both 2012-2013 and 2011.

Lending Gap Analysis

Reports detailing NBT's lending activity over the evaluation period for home mortgage loans, and 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 (93%) of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 92% of the bank's home mortgage loans, 96% of the small loans to businesses, and 89% of the small loans to farms were within the bank's AAs. The in/out ratio in 2011, while slightly lower, still represented a substantial majority of the bank's loans (87%) made in the bank's AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tracts.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of NBT's home mortgage loans, small loans to businesses and small loans to farms reflects an excellent dispersion among borrowers of different income levels. The dispersion among borrowers in the Southern Tier AA was excellent and good in the Albany Region AA. In the evaluation of borrower distribution, we gave consideration to the high household poverty level in each of the AAs. The household poverty level in the Southern Tier AA is 13.31% and is 10% in the Albany Region AA. 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.

Home Mortgage Loans

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.

The overall distribution of home mortgage loans in the full-scope AAs was excellent. Performance in both the Southern Tier and Albany Region AAs was excellent. While the discussion below describes NBT's performance during 2012-2013, the home mortgage distribution in 2011 was also excellent.

Home purchase loan borrower distribution was excellent. In the Southern Tier AA, performance was excellent. The portion of home purchase loans to moderate-income borrowers exceeded the portion of families defined as such. The portion of home purchase loans to low-income borrowers was somewhat lower than the portion of low-income families, but good when considering the percentage of AA households living below the poverty level. The market share for loans made to both low- and moderate-income borrowers exceeded NBT's overall market share in the AA for home purchase loans. Performance in the Albany Region AA was good. The portion of home purchase loans to moderate-income borrowers exceeded the portion of families defined as such. The portion of home purchase loans to low-income borrowers was somewhat lower than the portion of low-income families, but good when considering the percentage of AA households living below the poverty level. The market share for loans made to low-income borrowers exceeded, and for moderate-income borrower's was somewhat lower than, NBT's overall market share in the Albany Region AA for home purchase loans.

Home improvement loan borrower distribution was excellent. In the Southern Tier AA, performance was excellent. The portion of home improvement loans to moderate-income borrowers exceeded the portion of families defined as such. The portion of home improvement loans to low-income borrowers was lower than the portion of families defined as such, but good when considering the percentage of AA households living below the poverty level. The market share for loans made to moderate-income borrowers was near to NBT's overall market share in the AA for home improvement loans. The market share for loans made to low-income borrowers exceeded NBT's overall market share in the AA for home improvement loans. Performance in the Albany Region AA was excellent. The portion of home improvement loans made to both low- and moderate-income borrowers exceeded the portion of families defined as such. The market share for loans made to low- and moderate-income borrowers exceeded NBT's overall market share in the AA for home improvement loans.

Home refinance loan borrower distribution was good. In the Southern Tier AA, performance was good. The portion of home refinance loans to moderate-income borrowers was near to the portion of families defined as such. The portion of home refinance loans to low-income borrowers was lower than the portion of low-income families, but adequate when considering the percentage of AA households living below the poverty level. The market share for loans made to both low- and moderate-income borrowers exceeded NBT's overall market share in the AA for home refinance loans. Performance in the Albany Region AA was excellent. The portion of home refinance loans to moderate-income borrowers exceeded the portion of families defined as such. The portion of home refinance loans to low-income borrowers was somewhat lower than the portion of low-income families, but good when considering the percentage of AA households living below the poverty level. The market share for loans made to low- and moderate-income borrowers exceeded NBT's overall market share in the AA for home refinance loans.

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 was good. The borrower distribution was good in both full-scope AAs. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) was somewhat lower than the portion of businesses defined as such in both the Southern Tier and Albany Region AAs. The market share of small loans to businesses exceeded NBT's overall market share in both 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 farms.

The borrower distribution of small loans to farms was good. The borrower distribution was good in both full-scope AAs. The portion of loans to small farms (farms with revenues of \$1,000,000 or less) in the Southern Tier AA was near to, and in the Albany Region AA somewhat lower than, the portion of farms that are defined as such. The market share of small loans to small farms exceeded NBT's overall market share for small loans to all farms in both the Southern Tier and Albany Region 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 CD 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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

NBT's substantial level of CD lending had a significantly positive impact on the evaluation of its lending performance in the State of New York.

NBT originated five CD loans for \$15 million in its Southern Tier AA. Two of the loans totaling \$10 million were for affordable housing projects, one providing 34 units and the other 32 units of affordable housing for people with low- or moderate-income. One loan for \$1.6 million supported economic development, providing funding for small businesses that are creating and/or retaining jobs in the AA. Two loans totaling \$3 million supported the revitalization or stabilization of moderate-income census tracts or middle-income census tracts that are designated as distressed or underserved.

NBT originated 14 CD loans for \$65.8 million in its Albany Region AA. The loans supported a variety of important needs in the AA. Of the loans, \$30 million supported economic development by financing small businesses that are creating and retaining jobs in the AA, \$5 million supported community services targeted to people of low- and moderate-income, \$10 million supported the revitalization stabilization of low- and moderate- and/or distressed and underserved middle-income census tracts, \$20.7 million related to disaster relief in federally declared disaster areas, and \$200 thousand supported affordable housing.

Product Innovation and Flexibility

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

The bank offers an affordable housing mortgage product for people of low- or moderate-income in conjunction with a number of non-profit agencies involved in affordable housing. Pre-purchase counseling is provided by the non-profit agencies. Some of the non-profits may also provide a grant to assist with the down payment and closing costs. The loan features an interest rate 1/4 percent less than prevailing conventional mortgage rates, lower down payments (up to 98% financing) without requiring private mortgage insurance, and waiver of a \$200 application fee. There were 15 loans for \$990,325 made in the Southern Tier AA and two loans for \$121,031 made in the Albany Region AA during the evaluation period.

NBT participates in four programs with the State of New York Mortgage Agency (SONYMA) that are designed to assist low- and moderate-income people with home purchases. The programs feature a low fixed interest rate, a 30-year loan term, flexible underwriting guidelines, and up to 97% financing. NBT originated five loans for \$425,000 in the Southern Tier AA and no loans in the Albany Region AA under these programs during the evaluation period.

NBT participates in the US Department of Agriculture (USDA) Rural Development Guaranteed Housing Program. This loan program is designed to help low- and moderate-income individuals purchase affordable single-family homes in designated rural areas. Applicant(s) must have an adjusted household income that does not exceed income limits established for the area. The applicant(s) must occupy the home as their primary residence. The home may be existing, new, or proposed construction. The guarantee program also includes new manufactured homes, new or existing modular homes, condos and townhouses (if it meets the standards for Fannie Mae, Freddie Mac, VA, or FHA). Other features include:

- * Flexible credit and qualifying ratios
- * 30-year fixed rates and no mortgage insurance
- * No down payment
- * No maximum purchase price or mortgage limit

NBT made 74 loans for \$6.6 million under the USDA program in the Southern Tier AA and two loans for \$298,770 in the Albany Region AA during the evaluation period.

NBT participates in the Federal Housing Agency (FHA) home mortgage loan program. FHA loans are available for both first-time and existing home buyers. Borrowers can finance up to 96.5% for one-family owner-occupied residences. Other features include flexible underwriting and up to 6% seller contributions to cover closing costs. NBT made 13 FHA loans for \$1.4 million in the Southern Tier AA and five loans for \$602,000 in the Albany Region AA during the evaluation period.

NBT participates in the Home in the City – NORWICH, NY Program for first-time homebuyers in its Southern Tier AA. This is a joint Homeownership Program developed by NBT bank in partnership with the City of Norwich and Opportunities for Chenango (OFC). The program provides 100% financing for one- or two-family owner-occupied residences, .25% discount to the interest rate, 2% of borrowers funds towards down payment, flexible underwriting, grant funds for down payment, closing costs from OFC, and pre-purchase counseling offered through OFC. NBT made seven loans for \$493,240 in its Southern Tier AA under the program during the evaluation period.

NBT participates in the City of Schenectady First Time Homebuyer Program in the Albany Region AA. This is a joint Homeownership Program developed by NBT bank in partnership with the City of Schenectady and Better Neighborhoods Inc. The program provides 98% financing for one-family owner-occupied residences, .25% discount to the interest rate, 2% of borrowers funds towards down payment, flexible underwriting, grant funds for down payment and closing costs from the Schenectady Housing Development Corporation. Pre-purchase counseling is provided by Better Neighborhoods Inc. NBT made one loan for \$73,500 in the Albany Region AA during the evaluation period.

NBT participates in the Home Headquarters Program in Syracuse, New York. It provides for 98% financing for one-family owner-occupied residences, .25% discount to the interest rate, 2% of borrowers funds towards down payment, flexible underwriting, grant funds for down payment and closing costs and pre-purchase counseling offered through Home Headquarters (HH). NBT made five loans for \$383,000 under the program in the Syracuse NY MSA AA during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, NBT's performance under the Lending Test in the limited-scope AAs of New York State is not inconsistent with its performance in the full-scope AAs. Overall lending in the limited-scope AAs is good. Refer to the Tables 1 through 12 in the State of New York section of 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 the full-scope reviews, the bank's performance was good in the Southern Tier AA and adequate in the Albany 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.

NBT made current period investments of \$12.1 million in the two full-scope AAs and in the broader statewide area. The investments were very responsive to community needs for affordable housing and revitalizing and stabilizing moderate-income census tracts, distressed and underserved census tracts and federally declared disaster areas.

In the Southern Tier AA, the level of investment activity was good. The investments made a positive impact on the AA. The investment activity for the AA consisted of \$7.9 million in direct investment activity that supported the revitalization and stabilization of moderate-income census tracts and underserved and distressed middle-income census tracts in the AA. Several of the investments were made to revitalize/stabilize municipalities declared disaster areas by the Federal Emergency Management Agency (FEMA). Several counties in the AA were declared disaster areas at different times in the evaluation period due to severe flooding. The \$5 thousand in grants included in the total investments were for affordable housing services for people with low- or moderate-income.

The level of investment in the Albany Region AA was adequate. The investment activity for the AA consisted of \$1.8 million in direct investment activity that was primarily for the revitalization and stabilization of declared disaster areas by the FEMA. Several counties in the AA were declared disaster areas at different times in the evaluation period due to severe flooding.

The direct investment activity in the AAs was augmented by a \$2.9 million investment in a community development financial institution (CDFI) that is targeted to Upstate New York affordable housing projects, where the bank's New York AAs are located. While NBT's investment is confined to Upstate New York, the CDFI has sponsored the building of 40 affordable housing projects with over 1,400 units in the six states where it has undertaken projects. The total investment was comprised of \$2.4 million for the current period and \$500 thousand from a prior period.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's overall performance under the Investment Test in the limited-scope AAs is not inconsistent with its performance in the full-scope AAs. We considered the impact of the statewide investment activity in arriving at the performance conclusion for the limited-scope AAs. Please refer to the 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 State is rated Low Satisfactory. Based on full-scope reviews, the bank's performance in the both the Southern Tier and Albany Region AAs was adequate.

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.

NBT's delivery systems are reasonably accessible to census tracts and individuals of different income levels throughout the full-scope AAs. Accessibility is adequate in both the Southern Tier and Albany Region AAs.

In the Southern Tier AA, NBT has no offices located in moderate-income census tracts. However, the bank's main office in Norwich, New York, which is located in middle-income census tract 9703, is very convenient to moderate-income census tract 9704. A good portion of tract 9704 is nearer to the bank's main office on South Broad Street than portions of tract 9703. At its closest point, the office is within 25 feet of tract 9704. Until January 2012, the Southern Tier AA had only one moderate-income census tract, 9703. In January 2012, NBT purchased three branches in Greene County, New York, from Berkshire Bank, as part of a deal to purchase four Berkshire Bank branches in Massachusetts. The three branches are located in Greene County, New York, which NBT added to its Southern Tier AA after purchasing the branches. Greene County has two moderate-income census tracts, 0805.02 and 0811.01, which brought the AA's total moderate-income census tracts to three. The three branches purchased are

located in middle-income census tracts. Only 4.37% of the Southern Tier AA population resides in the three moderate-income tracts.

NBT's delivery systems are reasonably accessible to census tracts and individuals of different income level in the Albany Region AA. NBT has two offices, representing 13.33% of its total offices in the AA located in moderate-income census tracts where 14.16% of the AA population resides. There are no offices located in low-income census tracts where 9.63% of the population resides.

NBT's branch openings and closings did not adversely affect its branch distribution in the full-scope AAs. The bank opened three new offices in the Southern Tier AA in middle-income census tracts, where 81% of the AA population resides. There were no branch openings in the Albany Region AA and there were no branch closings in either full-scope AA.

NBT's hours and services offered throughout the full-scope AAs do not vary in a way to inconvenience any census tracts or individuals. Hours and services are adequate in both the Southern Tier and Albany Region AAs. Management sets branch hours based on customer needs and traffic patterns in each area. Substantially all branch offices offer extended hours on various days of the week including Saturday hours, which are offered at many branches. The two offices in low-income census tracts in the Albany Region AA are located in the downtown business district, and are not open on Saturday due to the lack of activity in the area on weekends. Services offered are comparable among locations regardless of the income level of the geography.

NBT offers services that provide easy access to funds for low-income people who receive government assistance. Recipients (customer or non-customer) of Electronic Benefits Transfer Programs (EBT) can withdraw funds from any NBT ATM free of charge in the five states that NBT has offices.

The bank's Classic Checking Account, a basic account without a monthly maintenance charge or minimum balance requirement, is an affordable option for people with low- or moderate-income. There are no balance requirements or check writing limits on the accounts. A debit or credit card can be attached to the account without a fee.

Money orders are available for \$3 to non-bank customers who may not have sufficient means to have a bank account. The service provides an alternative to cash for paying bills.

NBT offers alternative delivery systems in the form of ATMs. The geographic distribution of the ATMs is similar to the branch distribution. Customers and non-customers alike can access their accounts through NBT ATMs, which are connected to the Visa, NYCE and PLUS ATM systems. Customers may also use their NBT ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the VISA, NYCE or PLUS logos.

NBT also offers alternative delivery systems of bank-by-phone, online banking and mobile banking. These services allow customers to obtain deposit and loan account information, make payments on NBT 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

NBT's performance in providing CD services was good in the full-scope AAs. The level of support provided in the Southern Tier AA was good and in the Albany Region AA was excellent.

Management and bank employees provide a good level of support to various organizations in the communities served by the bank by offering financial expertise to such groups. Numerous employees are members of the Boards of Directors, loan committees, finance committees, or serve as treasurers of organizations that provide CD services.

In the Southern Tier AA, NBT employees provided a good level of support to various CD organizations. NBT employees participated in more than 20 community organizations that are involved in CD activities, devoting over 1,000 hours to such activities during the evaluation period. The organizations collectively cover a wide range of CD activities (i.e., providing community services targeted to low- and moderate-income people, supporting affordable housing for low- and moderate-income people, supporting economic development by financing small businesses that are creating and retaining jobs for low- and moderate-income people, in low- and moderate-income census tracts or in areas designated for economic development by federal, state or local government, and revitalizing or stabilizing low-income census tracts, moderate-income census tracts, or distressed or underserved middle-income census tracts).

In the Albany Region AA, NBT employees provided an excellent level of support to various CD service organizations. NBT employees participated in more than 20 organizations that are involved in CD activities, devoting over 1,500 hours to such activities during the evaluation period. The organizations collectively cover a wide range of CD activities (i.e., providing community services targeted to low- and moderate-income people, supporting affordable housing for low- and moderate-income people, supporting economic development by financing small businesses that are creating and retaining jobs for low- and moderate-income people, in low and moderate-income census tracts or in areas designated for economic development by federal, state or local government, and revitalizing or stabilizing low-income census tracts, moderate-income census tracts, or distressed or underserved middle-income census tracts).

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the limited-scope AAs in New York State was somewhat stronger than in the full-scope AAs. The Binghamton MSA, Northern NY NonMSA, and Syracuse NY MSA AAs each had a better distribution of branches to low- and moderate-census tracts than the full-scope AAs. Performance in the Utica-Rome MSA, Glens Falls MSA, and Fulton-Montgomery AAs was not inconsistent with performance in the full-scope AAs. The stronger performance in the three limited-scope AAs did not change the bank's overall rating under the Service Test. Refer to Table 13 in the State of New York section of Appendix D for the facts and data that support these conclusions.

State Rating

State of Pennsylvania

CRA Rating for State of Pennsylvania:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Low Satisfactory
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by NBT to the credit needs of its AAs.
- Good distribution of loans among borrowers of different income levels throughout the AAs.
- Adequate distribution of loans among census tracts of different income levels throughout the AAs.
- Community development lending that had a positive impact on the bank's lending performance.
- Flexible lending products that had a positive impact on the bank's lending performance.
- Investments that reflect adequate responsiveness to the credit and CD needs of the AAs.
- Service delivery systems that are reasonably accessible to census tracts and individuals of different income levels in the AAs.
- Adequate performance in providing CD services.

Description of Institution's Operations in the State of Pennsylvania

NBT has three AAs within Pennsylvania. They include the Lackawanna-Luzerne PA AA, the Northeast PA NonMSA AA, and the Pike AA. NBT has 32 branches within the state, representing 20% of the bank's total branch network. Sixteen percent of NBT's total deposits are from Pennsylvania. The bank's deposit market share ranks 34th in the state, with .30% of the state's total deposits. During the evaluation period, NBT originated 15% of its total HMDA and small business/small farm loan volume within Pennsylvania.

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

Scope of Evaluation in the State of Pennsylvania

We conducted a full-scope review of the Lackawanna-Luzerne PA AA. The area has 56% of the total number of branches, 53% of the total deposits, and 60% of the loan originations in the state.

Home mortgage loans were given the greatest weight, as they accounted for 70% of the number and dollar volume of loans in Pennsylvania.

Of the home mortgage lending products, we gave the greatest weight to refinances, which represented 49% of home mortgage loans, followed by home improvement loans at 33% and home purchase loans at 18%.

We conducted one community contact in the full-scope AA during this evaluation. The non-profit organization contacted is involved in community services targeted to low- and moderate-income residents in the Wyoming Valley area of Pennsylvania. Wyoming Valley includes the middle and northern portion of Luzerne County in the full-scope AA. The contact stressed the need for affordable housing to increase home ownership and business investment to reduce unemployment in the area. The need for affordable housing and small business loans, investments and services in the AA was considered in our evaluation of NBT'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 Pennsylvania is rated High Satisfactory. Based on the full-scope review, the bank's performance in the Lackawanna-Luzerne PA AA is good.

Lending Activity

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 lending activity.

NBT's overall lending activity in the full-scope AA is good. NBT's lending activity is good in the Lackawanna-Luzerne PA AA. NBT ranks 9th for deposits with a 4.67% market share. Based on 2012 aggregate HMDA data, NBT ranks 12th as originator/purchaser of refinance loans (2.39% market share), 3rd as originator/purchaser of home improvement loans (7.47% market share) and 25th as originator/purchaser of home purchase loans (1.06% market share). Based on 2012 CRA aggregate data, NBT ranks 14th as originator/purchaser of small loans to businesses (1.81% market share). NBT ranks 11th with a 2.66% market share for business loans made to small-sized businesses. Five of the lenders outranking the bank were credit card companies with average loans of \$6 thousand, compared to NBT's \$84 thousand average loan.

Distribution of Loans by Income Level of the Geography

The geographic distribution of NBT's small loans to businesses and home mortgage loans reflects adequate penetration in the full-scope AA census tracts.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans in the Lackawanna-Luzerne PA AA was adequate. Moderate-income census tracts represented a much greater portion of the owner-occupied housing in the AA in the 2010 census, at 15.25%, compared to .71% for low-income census tracts. During the 2000 census period, 8.34% of owner-occupied housing was in moderate-income census tracts, compared to .03% in low-income census tracts.

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 geographic distribution of home purchase loans was adequate. The portion of home purchase loans made in moderate-income census tracts in the Lackawanna-Luzerne PA AA was somewhat lower than, and in low-income census tracts exceeded, the owner-occupied housing units that are in those census tracts. The market share of home purchase loans originated in both low- and moderate-income census tracts in the AA exceeded the bank's overall market share of home purchase loans.

The geographic distribution of home improvement loans was adequate. The portion of home improvement loans made in moderate-income census tracts in the Lackawanna-Luzerne PA AA was lower than, and in low-income census tracts exceeded, the owner-occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts was lower than, and in low-income census tracts near to, the bank's overall market share of home improvement loans. While overall geographic distribution in the 2012-2013 period was adequate, the overall distribution in the 2011 period was poor.

The geographic distribution of refinance loans was adequate. The portion of refinance loans made in moderate-income census tracts in the Lackawanna-Luzerne PA AA was significantly lower than, and in low-income census tracts exceeded, the owner-occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts was lower than, and in low-income census tracts exceeded, the bank's overall market share of refinance loans. Performance in the moderate-income census tracts was somewhat better in 2011, with the portion of refinance loans in moderate-income census tracts lower than the owner-occupied housing units in those tracts and a market share that was near to the bank's overall market share in moderate-income tracts.

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 overall geographic distribution of small loans to businesses was good. The portion of small loans to businesses made in both low- and moderate-income census tracts in the Lackawanna-Luzerne PA AA was somewhat lower than the portion of businesses that are in those census tracts. The market share of loans originated in both low- and moderate-income census tracts was somewhat lower than the bank's overall market share of small business loans. During 2011, the geographic distribution of small business loans in the AA was excellent with the portion of loans made in both low- and moderate-income census tracts exceeding the portion of businesses in those census tracts. The market share of loans in low- and moderate-income census tracts exceeded the bank's overall market share of small business loans in 2011.

Lending Gap Analysis

Reports detailing NBT's lending activity over the evaluation period for home mortgage loans, and 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 (93%) of the home mortgage loans, small business loans, small farm loans were made within the bank's AAs. By product, 92% of the bank's home mortgage loans, 96% of small loans to businesses, 89% of small loans to farms were within the bank's AAs. The in/out ratio in 2011, while slightly lower, still represented a substantial majority of the bank's loans (87%) made in the bank's AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tracts.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of NBT's home mortgage loans and small loans to businesses reflects a good dispersion among borrowers of different income levels. The dispersion among borrowers in the full-scope AA was good. In the evaluation of borrower distribution, we gave consideration to the high household poverty level in each of the AAs. The household poverty level in the Lackawanna-Luzerne PA 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.

Home Mortgage Loans

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.

The overall distribution of home mortgage loans in the full-scope AA was good.

Home purchase loan borrower distribution was good. The portion of home purchase loans to moderate-income borrowers exceeded the portion of families defined as such. The portion of home purchase loans to low-income borrowers was somewhat lower than the portion of low-income families, but good when considering the percentage of AA households living below the poverty level. The market share for loans made to both low- and moderate-income borrowers exceeded NBT's overall market share in the AA for home purchase loans. In 2011, the distribution of loans to low-income borrowers was poor, and the distribution to moderate-income borrowers was excellent.

Home improvement loan borrower distribution was good. The portion of home improvement loans to moderate-income borrowers was near to the portion of families defined as such. The portion of home improvement loans to low-income borrowers was somewhat lower than the portion of low-income families, but good when considering the percentage of AA households living below the poverty level. The market share for loans made to moderate-income borrowers was somewhat lower than NBT's overall market share in the AA for home improvement loans, while the market share for loans made to low-income borrowers was near to NBT's overall market share in the AA for home improvement loans. In 2011, the distribution of home improvement loans to moderate-income borrowers was adequate and was good to low-income borrowers.

Home refinance loan borrower distribution was good. The portion of refinance loans to moderate-income borrowers was near to the portion of families defined as such. The portion of refinance loans to low-income borrowers was lower than the portion of low-income families. The market share for loans made to both low- and moderate-income borrowers exceeded NBT's overall market share in the AA for

refinance loans. In 2011, the distribution of refinance loans to moderate-income borrowers was adequate and was good for low-income borrowers.

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 was good. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) in the Lackawanna-Luzerne PA AA was near to the portion of businesses that are defined as such. The market share of small loans to businesses exceeded NBT's overall market share of small business loans.

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 CD 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.

NBT's CD lending in the Lackawanna-Luzerne PA AA had a positive effect on its overall lending performance in the AA. NBT made three CD loans totaling \$600 thousand in the AA, which supported affordable housing for people of low- and moderate-income.

Product Innovation and Flexibility

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

The bank offers an affordable housing mortgage product for people of low- or moderate-income in conjunction with a number of non-profit agencies involved in affordable housing. Pre-purchase counseling is provided by the non-profit agencies. Some of the non-profits may also provide a grant to assist with the down payment and closing costs. The loan features an interest rate 1/4 percent less than prevailing conventional mortgage rates, lower down payments (up to 98% financing) without requiring private mortgage insurance, and waiver of a \$200 application fee. NBT made two loans for \$137,864 under the program in Lackawanna-Luzerne PA AA during the evaluation period.

NBT participates in the US Department of Agriculture (USDA) Rural Development Guaranteed Housing Program. This loan program is designed to help low- and moderate-income individuals purchase affordable single-family homes in designated rural areas. Applicant(s) must have an adjusted household income that does not exceed income limit established for the area. The applicant(s) must occupy the home as their primary residence. The home may be existing, new, or proposed construction. The guarantee program also includes new manufactured homes, new or existing modular homes, condos and town houses (if it meets the standards for Fannie Mae, Freddie Mac, VA, or FHA). Other features include:

- * Flexible credit and qualifying ratios
- * 30-year fixed rates and no mortgage insurance
- * No down payment
- * No maximum purchase price or mortgage limit

NBT made one loan for \$197,500 under the USDA program in the Lackawanna-Luzerne PA AA during the evaluation period. In the more rural Northeast PA NonMSA AA, the bank made ten loans for \$914,470 under the program.

NBT participates in the Federal Housing Agency (FHA) home mortgage loan program. FHA loans are available for both first-time and existing home buyers. Borrowers can finance up to 96.5% for one-family owner-occupied residences. Other features include flexible underwriting, and up to 6% seller contributions to cover closing costs. NBT made 15 FHA loans for \$1.8 million in the Lackawanna-Luzerne PA AA during the evaluation period.

NBT participates in loan programs through the Pennsylvania Housing Finance Agency (PHFA) for properties located in Pennsylvania. Key features of the home purchase loan program include a 30-year term, LTVs of up to 97%, and flexible underwriting guidelines. NBT made six loans for \$780,000 in the Lackawanna-Luzerne PA AA under PHFA programs during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending Test performance in the two limited-scope AAs in Pennsylvania was stronger than in the full-scope AA. The stronger performance was attributable to an excellent borrower loan distribution. Also, NBT had stronger CD lending performance in the Northern PA NonMSA AA than the full-scope AA. The stronger lending performance in the limited-scope AAs did not change the Lending Test rating for the State. Refer to the Tables 1 through 12 in the State of Pennsylvania section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Based on the full-scope review of the Lackawanna-Luzerne PA AA, NBT's performance under the Investment Test in Pennsylvania is rated Low Satisfactory. 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.

NBT's had an adequate level of qualified investments in Pennsylvania, that demonstrated adequate responsiveness to the credit needs of the AA.

The level of investment in the Lackawanna-Luzerne PA AA was adequate. NBT made current period investments of \$610 thousand in the AA. The investments consisted primarily of a mortgage backed securities fund that purchased mortgage loans made to low- and moderate-income borrowers. NBT also made \$5 thousand in qualified grants in the AA to support affordable housing for people of low- and moderate-income. The investments addressed the important community need for affordable housing.

NBT also invested in a \$145 thousand mortgage backed security that supported affordable housing for low- and moderate-income people in a broader regional area in Pennsylvania, that includes the bank's AAs.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the limited scope AAs was not inconsistent with performance in the full-scope AA. We considered the impact of the statewide investment activity in arriving at the performance conclusion for the limited-scope AAs. Refer to Table 14 in the State of Pennsylvania 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 Pennsylvania is rated Low Satisfactory. Based on full-scope review, the bank's performance in the Lackawanna-Luzerne PA AA is adequate.

Retail Banking Services

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.

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

In the Lackawanna-Luzerne PA AA, the distribution of NBT's offices in low-income census tracts significantly exceeds the distribution of the population living in such census tracts. NBT has no offices in moderate-income census tracts where 19.33% of the AA population resides.

NBT's branch openings and closings did not adversely affect its branch distribution in the full-scope AA. The bank closed one office in an upper-income census tract during the evaluation period. There were no branch openings in the full-scope AA.

NBT's hours and services offered throughout the full-scope AA did not vary in a way to inconvenience any census tracts or individuals. Services offered are comparable among locations regardless of the income level of the geography. Substantially all branch offices offer extended hours on various days of the week. Two branches, including one in a low-income census tract, offer Saturday office hours. Management sets branch hours based on customer needs and traffic patterns in each area.

NBT offers services that provide easy access to funds for low-income people who receive government assistance. Recipients (customer or non-customer) of Electronic Benefits Transfer Programs (EBT) can withdraw funds from any NBT ATM free of charge in the five states that NBT has offices.

The bank's Classic Checking Account, a basic account without a monthly maintenance charge or minimum balance requirement, is an affordable option for people with low- or moderate-income. There are no balance requirements or check writing limits on the accounts. A debit or credit card can be attached to the account without a fee.

Money orders are available for \$3 to non-bank customers who may not have sufficient means to have a bank account. The service provides an alternative to cash for paying bills.

NBT offers alternative delivery systems in the form of ATMs. The geographic distribution of the ATMs is similar to the branch distribution. Customers and non-customers alike can access their accounts through NBT ATMs, which are connected to the Visa, NYCE and PLUS ATM systems. Customers may also use their NBT ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the VISA, NYCE or PLUS logos.

NBT also offers alternative delivery systems of bank-by-phone, online banking and mobile banking. These services allow customers to obtain deposit and loan account information, make payments on NBT 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

NBT's performance in providing CD services in the State of Pennsylvania was adequate.

NBT management and employees provide an adequate level of support to various CD service organizations. NBT employees, including members of management, actively participated in six CD related organizations by serving on the Boards of Directors or in treasurer positions for these organizations, expending approximately 140 hours on such activities. The organizations collectively cover a wide range of CD activities (i.e., providing community services targeted to low- and moderate-income people, supporting affordable housing for low- and moderate-income people, and supporting economic development by financing small businesses that are creating and retaining jobs for low- and moderate-income people, in low or moderate-income income census tracts or in areas designated for economic development by federal, state or local government).

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, NBT's performance under the Service Test in the limited-scope AAs is not inconsistent with its performance in the full-scope AA. Refer to Table 15 in the State of Pennsylvania section of Appendix D for the facts and data that support these conclusions.

State Rating

State of Vermont

CRA Rating for State of Vermont:	Satisfactory
The lending test is rated:	High 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 good responsiveness by NBT to the credit needs of its AA.
- Good distribution of loans among borrowers of different income levels throughout the AA.
- Adequate distribution of loans among census tracts of different income levels throughout the AA.
- Community development lending that had a significantly positive impact on the bank's lending performance.
- Flexible lending products that had a neutral impact on the bank's lending performance.
- Investments that reflect excellent responsiveness to the credit and CD needs of the AA.
- Service delivery systems that are readily accessible to census tracts and individuals of different income levels in the AA.
- Adequate performance in providing CD services.

Description of Institution's Operations in the State of Vermont

NBT has one AA in Vermont, Chittenden VT AA. The AA consists of only one county, Chittenden County. NBT has three branches within the state, representing 2% of the bank's total branch network. Only .8% of NBT's total deposits are from Vermont. The bank's deposit market share ranks 20th in the state, with .42% of the total deposits in the state. During the evaluation period, NBT originated 2% of its total HMDA and small business/small farm loan volume within Vermont.

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

Scope of Evaluation in the State of Vermont

We conducted a full-scope review of NBT's only AA located in Vermont.

Home mortgages were given more weight than small business loans with them accounting for 59% of the number and 61% of the dollar volume of loans in Vermont in 2012 and 2013. In 2011, home mortgage loans represented 75% of the number and 64% of the dollar volume of loans made in the state.

Of the home mortgage lending products, we gave the greatest weight to refinances, which represented 57% of home mortgage loans, followed by home purchase loans (24%) and home improvement loans (16%) over the entire evaluation period.

We conducted one community contact in the full-scope AA during this evaluation. The contact is involved in business development. The contact believes that local banks are quite responsive to the credit and banking needs of the Chittenden VT AA. The contact mentioned a need for more affordable housing in the City of Burlington to accommodate the needs of a growing workforce in the City. The need for affordable housing and small business related loans, investments and services in the AA was considered in our evaluation of NBT's performance in Vermont 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 Vermont is rated High Satisfactory.

Lending Activity

Refer to Table 1 Lending Volume in the State of Vermont section of Appendix D for the facts and data used to evaluate the bank's lending activity.

NBT's overall lending activity in the full-scope AA is good. NBT's lending activity is good in the Chittenden VT AA. NBT ranks 7th for deposits with a 1.25% market share out of ten depository institutions operating in the AA. Based on 2012 aggregate HMDA data, NBT ranks 27th as originator/purchaser of refinance loans (.73%) out of 125 lenders, 11th as originator/purchaser of home improvement loans (2.66% market share) and 30th as originator/purchaser of home purchase loans (.54% market share). Based on 2012 CRA aggregate data, NBT ranks 18th as originator/purchaser of small loans to businesses (1.03% market share). NBT ranks 12th with a 1.53% market share for business loans made to small-sized businesses. Four of the lenders outranking the bank were credit card companies with average loans of \$7 thousand compared to NBT's \$173 thousand average loan.

Distribution of Loans by Income Level of the Geography

The geographic distribution of NBT's small loans to businesses and home mortgage loans reflects adequate penetration in the Chittenden VT AA census tracts.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans in the Chittenden VT AA was adequate. Our analysis covers only the moderate-income census tracts in the AA. We did not evaluate lending in low-income census tracts, due the insignificant amount of owner-occupied housing located in the low-income tracts (.53% in both 2012-2013 and 2011 time periods).

Refer to Tables 2, 3, 4, and 5 in the State of Vermont 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 geographic distribution of home purchase loans was adequate. In 2012-2013, the portion of home purchase loans made in moderate-income census tracts in the Chittenden VT AA was lower than the owner-occupied housing units that are in those census tracts. In 2011, the portion of home purchase loans made in moderate-income census tracts exceeded the owner-occupied housing units that are in those census tracts. The market share of home purchase loans originated in moderate-income census tracts in the AA was somewhat lower than the bank's overall market share of home purchase loans in 2012-2013 and exceeded the overall market share in 2011.

The geographic distribution of home improvement loans was poor. In 2012-2013, the portion of home improvement loans made in moderate-income census tracts in the Chittenden VT AA was lower than the owner-occupied housing units that are in those census tracts. In 2011, the portion of home improvement loans made in moderate-income census tracts was significantly lower than the owner-occupied housing units that are in those census tracts. The market share of home improvement loans originated in moderate-income census tracts in the AA was near to the bank's overall market share of home improvement loans in 2012-2013 and significantly lower than the overall market share in 2011.

The geographic distribution of refinance loans was adequate. In 2012-2013, the portion of refinance loans made in moderate-income census tracts in the Chittenden VT AA exceeded the owner-occupied housing units that are in those census tracts. In 2011, the portion of refinance loans made in moderate-income census tracts was somewhat lower than the owner-occupied housing units that are in those census tracts. The market share of refinance loans originated in moderate-income census tracts in the AA was somewhat lower than the bank's overall market share of refinance loans in 2012-2013 and in 2011.

Small Loans to Businesses

Refer to Table 6 in the State of Vermont 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 overall geographic distribution of small loans to businesses was good. The portion of small loans to businesses made in moderate-income census tracts in the Chittenden VT AA exceeded the portion of businesses that are in those census tracts. The portion of small loans to businesses made in low-income census tracts in the Chittenden VT AA was significantly lower than the portion of businesses that are in those census tracts. However, only 1.97% of AA businesses are located in low-income census tracts, compared to 16.6% located in moderate-income census tracts in 2012-2013. In 2011, 1.91% of AA businesses were in low-income census tracts, compared to 12.62% in moderate-income census tracts. The market share of small business loans originated in low- and moderate-income census tracts exceeded the bank's overall market share of small business loans in 2012-2013. In 2011, the market share of small business loans originated in moderate-income census tracts exceeded, and in low-income census tracts was significantly lower than, the bank's overall market share of small business loans.

Lending Gap Analysis

Reports detailing NBT's lending activity over the evaluation period for home mortgage loans, and 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 (93%) of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 92% of the bank's home mortgage loans, 96% of the small loans to businesses, 89% of the small loans to farms within the bank's AAs. The in/out ratio in 2011, while slightly lower, still represented a substantial majority of the bank's loans (87%) made in the bank's AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tracts.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of NBT's home mortgage loans and small loans to businesses reflects a good dispersion among borrowers of different income levels. In the evaluation of borrower distribution, we gave consideration to the high household poverty level in the AA. The household poverty level in the Chittenden VT AA is 11%. 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.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of Vermont 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.

The overall distribution of home mortgage loans in the full-scope AA was adequate.

Home purchase loan borrower distribution was good. The portion of home purchase loans to moderate-income borrowers exceeded the portion of families defined as such. The portion of home purchase loans to low-income borrowers was lower than the portion of low-income families, but adequate when considering the percentage of AA households living below the poverty level. The market share for loans made to both low- and moderate-income borrowers exceeded NBT's overall market share in the AA for home purchase loans. In 2011, the overall distribution of loans to low- and moderate-income borrowers was adequate.

Home improvement loan borrower distribution was good. The portion of home improvement loans to moderate-income borrowers was near to the portion of families defined as such in 2012-2013 and exceeded the portion of families in 2011. The portion of home improvement loans to low-income borrowers was lower than the portion of low-income families, but adequate when considering the percentage of AA households living below the poverty level in 2012-2013. In 2011, the portion of home improvement loans made to low-income families was significantly lower than the portion of families defined as such. The market share for loans made to low- and moderate-income borrowers exceeded NBT's overall market share in the AA for home improvement loans in 2012-2013 and for moderate-income borrowers in 2011, as well. The market share for loans made to low-income borrowers was significantly lower than NBT's overall market share in the AA for home improvement loans in 2011.

Home refinance loan borrower distribution was adequate. The portion of refinance loans to moderate-income borrowers was somewhat lower than the portion of families defined as such in both 2012-2013 and 2011. In 2012-2013, the portion of refinance loans to low-income borrowers was lower than the portion of low-income families, but adequate when considering the percentage of AA households living

below the poverty rate. The market share for loans made to low- income borrowers exceeded, and moderate- income borrowers was somewhat lower than, NBT's overall market share in the AA for refinance loans in both 2012-2013 and 2011.

Small Loans to Businesses

Refer to Table 11 in the State of Vermont 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 was good. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) in the Chittenden VT AA was somewhat lower than the portion of businesses that are defined as such in both 2012-2013 and 2011. The market share of small loans to businesses exceeded NBT's overall market share of small business loans in both 2012-2013 and 2011.

Community Development Lending

Refer to Table 1 Lending Volume in the State of Vermont section of Appendix D for the facts and data used to evaluate the bank's level of CD 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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

NBT's CD lending in the AA had a significant positive impact on its lending performance in the state. The bank made four CD loans totaling \$17.8 million. Three of the loans totaling \$15.9 million supported the revitalization and stabilization of a moderate-income census tract by funding the construction of a new hotel in the area. The hotel is also creating jobs in the area. The other loan for \$1.9 million funded affordable rental housing for senior citizens and disabled individuals with low- or moderate-income.

Product Innovation and Flexibility

NBT's innovative and flexible lending activity had a neutral impact on the evaluation of its lending performance in the State of Vermont.

NBT offers Federal Housing Administration (FHA), United States Department of Agriculture (USDA), Rural Guaranteed, and its own First Home Affordable Housing Programs in Vermont. However, it did not make any loans under these programs in Vermont during the evaluation period.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Based on the full-scope review of the Chittenden VT AA, NBT's performance under the Investment Test in Vermont is rated High Satisfactory. Refer to Table 14 in the State of Vermont 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 Chittenden VT AA was good. The investments showed good responsiveness to credit needs in the AA. NBT made two current period investments totaling \$665 thousand. The primary investment was in a low-income housing tax credit (LIHTC) used to build affordable housing for low-income people throughout Vermont, including the Chittenden VT AA. The investment has an unfunded commitment of \$1.3 million. A LIHTC made in a prior period has a current book balance of \$1.9 million. The bank made one qualified grant for \$500 that supported affordable housing in the AA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Vermont is rated Outstanding. Based on the full-scope review, the bank's performance in the Chittenden VT AA is excellent.

Retail Banking Services

Refer to Table 15 in the State of Vermont 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.

NBT's delivery systems are readily accessible to census tracts and individuals of different income levels throughout the full-scope AA. The bank has three branches in the Chittenden VT AA, with one located in a moderate-income census tract where 14.56% of the AA population resides. Only 2.01% of the AA population resides in a low-income census tract.

NBT opened one new office in the AA during the evaluation period in a middle-income census tract. The bank did not close any offices in this AA during this period.

NBT's hours and services offered in the Chittenden VT AA are good. Management sets branch hours based on customer needs and traffic patterns in each area. The office hours at the three branches are comparable, with the exception that the branch in the moderate-income census tract does not have Saturday hours. The branch is located in the downtown business district, which has little activity on the weekends to justify opening the branch. Services offered are comparable among locations regardless of the income level of the census tract.

NBT offers services that provide easy access to funds for low-income people who receive government assistance. Recipients (customer or non-customer) of Electronic Benefits Transfer Programs (EBT) can withdraw funds from any NBT ATM free of charge in the five states that NBT has offices.

The bank's Classic Checking Account, a basic account without a monthly maintenance charge or minimum balance requirement, is an affordable option for people with low- or moderate-income. There are no balance requirements or check writing limits on the accounts. A debit or credit card can be attached to the account without a fee.

Money orders are available for \$3 to non-bank customers who may not have sufficient means to have a bank account. The service provides an alternative to cash for paying bills.

NBT offers alternative delivery systems in the form of ATMs. The geographic distribution of the ATMs is similar to the branch distribution. Customers and non-customers alike can access their accounts

through NBT ATMs, which are connected to the Visa, NYCE and PLUS ATM systems. Customers may also use their NBT ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the VISA, NYCE or PLUS logos.

NBT also offers alternative delivery systems of bank-by-phone, online banking and mobile banking. These services allow customers to obtain deposit and loan account information, make payments on NBT 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

NBT's performance in providing CD services in the State of Vermont was adequate.

NBT management and employees provide an adequate level of support to various CD service organizations. NBT employees, including members of management, actively participated in three CD related organizations by serving on the Boards of Directors, and loan and investment committees for these organizations, expending approximately 35 hours on such activities. The organizations either provide community services targeted to low- and moderate-income people, or support affordable housing for low- and moderate-income individuals.

State Rating

State of Massachusetts

CRA Rating for State of Massachusetts:	Needs to Improve
The lending test is rated:	Low Satisfactory
The investment test is rated:	Needs to Improve
The service test is rated:	Low Satisfactory

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by NBT to the credit needs of its AA.
- Adequate distribution of loans among borrowers of different income levels throughout the AA.
- Poor distribution of loans among census tracts of different income levels throughout the AA.
- Community development lending that had a neutral impact on the bank's lending performance.
- Flexible lending products that had a neutral impact on the bank's lending performance.
- Investments that reflect poor responsiveness to the credit and CD needs of the AA.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AA.
- Poor performance in providing CD services.

Description of Institution's Operations in the State of Massachusetts

NBT has one AA in Massachusetts, Berkshire County MA AA. The AA consists of only Berkshire County. NBT has six branches within the state, representing 4% of the bank's total branch network. Two percent of NBT's total deposits are from Massachusetts. The bank's deposit market share ranks 143rd in the state, with .04% of total deposits in the state. During the 2012-2013 period, NBT originated 2% of its total HMDA and small business/small farm loan volume within Massachusetts. NBT opened its first branch in the state on October 24, 2011, so did not realize a significant volume of loans during 2011.

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

Scope of Evaluation in the State of Massachusetts

We conducted a full-scope review of NBT's only AA located in Massachusetts.

Home mortgages were given more weight than small business loans with them accounting for 71% of the number and 76% of the dollar volume of loans in Massachusetts in 2012 and 2013.

Of the home mortgage lending products, we gave the greatest weight to refinances, which represented 52% of home mortgage loans, followed by home improvement loans (31%) and home purchase loans (13%) originated in 2012-2013.

We conducted one community contact in the full-scope AA during this evaluation. The contact is involved in business development in Berkshire County. The contact stressed the need for business loans, and banks who are devoted to serving the area. The contact felt the locally-based banks did a much better job meeting the CD and banking needs of the AA than non-locally based banks with branches in the AA. The need for affordable housing and small business related loans, investments and services in the AA were considered in our evaluation of NBT's performance in Massachusetts 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 Massachusetts is rated Low Satisfactory.

Lending Activity

Refer to Table 1 Lending Volume in the State of Massachusetts section of Appendix D for the facts and data used to evaluate the bank's lending activity.

NBT's overall lending activity in the full-scope AA was good. NBT ranks 7th for deposits with a 3.62% market share out of 11 depository institutions operating in the AA. Based on 2012 aggregate HMDA data, NBT ranks 20th out of 152 lenders as originator/purchaser of refinance loans (.89%), 11th out of 29 as originator/purchaser of home improvement loans (2.34% market share) and 40th out of 76 lenders as originator/purchaser of home purchase loans (.15% market share). Based on 2012 CRA aggregate data, NBT ranks 19th as originator/purchaser of small loans to businesses (.42% market share). NBT ranks 12th with a .39% market share for business loans made to small-sized businesses. Seven of the lenders outranking the bank were credit card companies with average loans of \$7 thousand compared to NBT's \$157 thousand average loan.

Distribution of Loans by Income Level of the Geography

The geographic distribution of NBT's small loans to businesses and home mortgage loans reflects poor penetration in the Berkshire County MA AA census tracts.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans in the Berkshire County MA AA was poor. We gave more weight to the distribution in moderate-income census tracts which contain 6.91% of the AA's owner-occupied housing as compared to only .63% in low-income census tracts.

Refer to Tables 2, 3, 4, and 5 in the State of Massachusetts 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 geographic distribution of home purchase loans was very poor. The portion of home purchase loans made in both low- and moderate-income census tracts in the Berkshire County MA AA was significantly lower than the owner-occupied housing units that are in those census tracts. The market share of home purchase loans made in low- and moderate-income census tracts in the AA was significantly lower than the bank's overall market share of home purchase loans.

The geographic distribution of home improvement loans was adequate. The portion of home improvement loans made in moderate-income census tracts in the Berkshire County MA AA exceeded, and in low-income census tracts was significantly lower than, the owner-occupied housing units that are in those census tracts. The market share of home improvement loans made in both low- and moderate-income census tracts in the AA was significantly lower than the bank's overall market share of home improvement loans.

The geographic distribution of refinance loans was poor. The portion of refinance loans made in moderate-income census tracts in the Berkshire County MA AA was lower than, and in low-income census tracts significantly lower than, the owner-occupied housing units that are in those census tracts. The market share of refinance loans made in moderate-income census tracts in the AA was near to, and in low-income census tracts was significantly lower than, the bank's overall market share of refinance loans.

Small Loans to Businesses

Refer to Table 6 in the State of Massachusetts 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 overall geographic distribution of small loans to businesses was adequate. The portion of small loans to businesses made in moderate-income census tracts in the Berkshire County MA AA exceeded, and in low-income census tracts was significantly lower than, the portion of businesses that are in those census tracts. The market share of small business loans made in moderate-income loans exceeded, and in low-income census tracts was significantly lower than, the bank's overall market share of small business loans in the AA.

Lending Gap Analysis

Reports detailing NBT's lending activity over the evaluation period for home mortgage loans, and 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 (93%) of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 92% of the bank's home mortgage loans, 96% of the small loans to businesses, 89% of the small loans to farms were within the bank's AAs. The in/out ratio in 2011, while slightly lower, still represented a substantial majority of the bank's loans (87%) made in the bank's AAs. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tracts.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of NBT's home mortgage loans and small loans to businesses reflects an adequate dispersion among borrowers of different income levels. In the evaluation of borrower distribution, we gave consideration to the high household poverty level in the AA. The household poverty level in the Berkshire County MA AA 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.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of Massachusetts 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.

The overall distribution of home mortgage loans in the full-scope AA was adequate.

Home purchase loan borrower distribution was adequate. The portion of home purchase loans to low-income borrowers significantly exceeded, and moderate-income borrowers was significantly lower than, the portion of families defined as such. The market share for loans made to low-income borrowers significantly exceeded, and moderate-income borrowers was significantly lower than, NBT's overall market share in the AA for home purchase loans.

Home improvement loan borrower distribution was adequate. The portion of home improvement loans to moderate-income borrowers exceeded, and low-income borrowers was significantly lower than, the portion of families defined as such. The market share for loans made to moderate-income borrowers exceeded, and low-income borrowers was significantly lower than, NBT's overall market share in the AA for home improvement loans.

Home refinance loan borrower distribution was good. The portion of refinance loans to moderate-income borrowers exceeded, and low-income borrowers was lower than, the portion of families defined as such in the AA. The market share for loans made to low-income borrowers exceeded, and moderate-income borrowers was near to, NBT's overall market share in the AA for refinance loans.

Small Loans to Businesses

Refer to Table 11 in the State of Massachusetts 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 was adequate. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) in the Berkshire County MA AA was below the portion of businesses that are defined as such. The market share of small loans to businesses was near to NBT's overall market share of small business loans in the AA.

Community Development Lending

Refer to Table 1 Lending Volume in the State of Massachusetts section of Appendix D for the facts and data used to evaluate the bank's level of CD 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.

NBT did not make any qualified CD loans in the Berkshire County MA AA. The absence of CD loans in the full-scope AA had a neutral effect on the bank's lending performance in the state.

Product Innovation and Flexibility

NBT's innovative and flexible lending activity had a neutral impact on the evaluation of its lending performance in the State of Massachusetts.

NBT offers Federal Housing Administration (FHA), United States Department of Agriculture (USDA), Rural Guaranteed, and its own First Home Affordable Housing Programs in Massachusetts. However, it did not make any loans under these programs in Massachusetts during the evaluation period.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Based on the full-scope review of the Berkshire County MA AA, NBT's performance under the Investment Test in Massachusetts is rated Needs to Improve. Refer to Table 14 in the State of Massachusetts section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

NBT made no qualified investments in the Berkshire County MA AA during the evaluation period. Although the bank did not operate in the state for the entire evaluation period (beginning operations in October 2011), there was sufficient time in the evaluation period to make a reasonable level of qualified investments to support the Berkshire County MA AA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Massachusetts is rated Low Satisfactory. Based on the full-scope review, the bank's performance in the state of Massachusetts is adequate.

Retail Banking Services

Refer to Table 15 in the State of Massachusetts 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.

NBT's delivery systems are accessible to census tracts and individuals of different income levels throughout the full-scope AA. The bank has six branches in the Berkshire County MA AA, with one located in a low-income census tract where 2.58% of the AA population resides. The other branches are located in middle- and upper-income census tracts.

NBT began operations in the state through the purchase of four of the branches from Berkshire Bank in October 2011. All four of the branches are located in middle-income census tracts. This was followed

by the opening of two new branches in February 2012 and January 2014, the first in an upper-income census tract and the second in a low-income census tract. The branch openings improved the accessibility of bank branches for low- and moderate-income residents of the AA.

NBT's hours and services offered in the Berkshire County MA AA are good. Management sets branch hours based on customer needs and traffic patterns in each area. The office hours at the six branches are comparable, with the exception that the branch in the low-income census tract does not have Saturday hours. The branch is located in the downtown business district, which has little activity on the weekends to justify opening the branch. Services offered are comparable among locations regardless of the income level of the census tract.

NBT offers services that provide easy access to funds for low-income people who receive government assistance. Recipients (customer or non-customer) of Electronic Benefits Transfer Programs (EBT) can withdraw funds from any NBT ATM free of charge in the five states that NBT has offices.

The bank's Classic Checking Account, a basic account without a monthly maintenance charge or minimum balance requirement, is an affordable option for people with low- or moderate-income. There are no balance requirements or check writing limits on the accounts. A debit or credit card can be attached to the account without a fee.

Money orders are available for \$3 to non-bank customers who may not have sufficient means to have a bank account. The service provides an alternative to cash for paying bills.

NBT offers alternative delivery systems in the form of ATMs. The geographic distribution of the ATMs is similar to the branch distribution. Customers and non-customers alike can access their accounts through NBT ATMs, which are connected to the Visa, NYCE and PLUS ATM systems. Customers may also use their NBT ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the VISA, NYCE or PLUS logos.

NBT also offers alternative delivery systems of bank-by-phone, online banking and mobile banking. These services allow customers to obtain deposit and loan account information, make payments on NBT 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

NBT's performance in providing CD services in the State of Massachusetts was poor. The bank did not participate in any qualified CD service activities in the AA during the evaluation period. We gave consideration to the shorter evaluation period in Massachusetts, having begun operations in the AA on October 24, 2011, in our evaluation of CD service performance in the AA.

State Rating

State of New Hampshire

CRA Rating for State of New Hampshire:	Satisfactory
The lending test is rated:	High Satisfactory
The investment test is rated:	Needs to Improve
The service test is rated:	Outstanding

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by NBT to the credit needs of its AAs.
- Adequate 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.
- Community development lending that had a significant positive impact on the bank's lending performance.
- Flexible lending products that had a neutral impact on the bank's lending performance.
- Investments that reflect poor responsiveness to the credit and CD development needs of the AAs.
- Service delivery systems that are readily accessible to census tracts and individuals of different income levels in the AAs.
- Adequate performance in providing CD services.

Description of Institution's Operations in the State of New Hampshire

NBT has three AAs in New Hampshire, including the Manchester Nashua Region AA, the Rockingham AA, and the Cheshire County AA. It has five branches within the state, representing 3% of the bank's total branch network. Two percent of NBT's total deposits are from New Hampshire. The bank's deposit market share ranks 29th in the state out of 41 institutions, with .47% of total deposits in the state. During the evaluation period, NBT originated 3% of its total HMDA and small business loan volume within the state.

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

Scope of Evaluation in the State of New Hampshire

We conducted a full-scope review of the Manchester Nashua Region AA for the state. The AA has 40% of the bank's branches in the state. Sixty-five percent of the bank's total deposits in New Hampshire were domiciled in the AA as of June 30, 2013. Loan originations in the AA represented 63% of the bank's loan originations in New Hampshire in the evaluation period.

Small business loans were given more weight than home mortgage loans as they accounted for 71% of the number and dollar volume of loans in New Hampshire.

Of the home mortgage lending products, we gave the greatest weight to refinances and home purchase loans, with them representing 45% and 44% of home mortgage loans, respectively.

We conducted one community contact in the full-scope AA during this evaluation. The contact involved participation in a CRA forum that included a wide range of community groups that could speak to various community needs in the AA. The attendees named a number of concerns including, the very significant need for micro-credit for small and startup businesses, banking services for low-income people and refugees, the need for more affordable rental housing, assistance with credit repair and counseling, and an energy assistance fund. In general, the attendees did not feel banks were adequately participating in developing affordable rental housing, and that insurance companies and other syndicators were using available tax credits. The need for affordable housing and small business related loans, investments and services in the AA were considered in our evaluation of NBT's performance in New Hampshire 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 Hampshire is rated High Satisfactory.

Lending Activity

Refer to Table 1 Lending Volume in the State of New Hampshire section of Appendix D for the facts and data used to evaluate the bank's lending activity.

NBT's overall lending activity in the full-scope AA was good. NBT ranks 9th for deposits with a .83% market share out of 16 depository institutions operating in the AA. Based on 2012 aggregate HMDA data, NBT ranks 104th as originator/purchaser of refinance loans (.10%) , 62nd as originator/purchaser of home purchase loans (.20% market share) and 26th as originator/purchaser of home improvement loans (.58% market share). Based on 2012 CRA aggregate data, NBT ranks 17th as originator/purchaser of small loans to businesses (1.33% market share). NBT ranks 18th with a .28% market share for business loans made to small sized businesses. Six of the lenders outranking the bank were credit card companies with average loans of \$6 thousand compared to NBT's \$171 thousand average loan.

Distribution of Loans by Income Level of the Geography

The geographic distribution of NBT's small loans to businesses and home mortgage loans reflects good penetration in the Manchester Nashua Region full-scope AA.

Home Mortgage Loans

The overall geographic distribution of home mortgage loans in the Manchester Nashua Region AA was good. We gave greater weight to NBT's home mortgage lending in moderate-income census tracts than

low-income census tracts. Moderate-income census tracts contain 14.24% of the AA's owner-occupied housing, compared to 1.81% in low-income census tracts.

Refer to Tables 2, 3, 4, and 5 in the State of New Hampshire 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 geographic distribution of home purchase loans was excellent. The portion of home purchase loans made in both low- and moderate-income census tracts in the AA exceeded the owner-occupied housing units that are in those census tracts. The market share of home purchase loans made in both low- and moderate-income census tracts in the AA exceeded the bank's overall market share of home purchase loans.

The geographic distribution of home improvement loans was very poor. The portion of home improvement loans made in both low- and moderate-income census tracts in the AA was significantly lower than the owner-occupied housing units that are in those census tracts. The market share of home improvement loans made in both low- and moderate-income census tracts in the AA was significantly lower than the bank's overall market share of home improvement loans.

The geographic distribution of refinance loans was excellent. The portion of refinance loans made in both low- and moderate-income census tracts in the AA exceeded the owner-occupied housing units that are in those census tracts. The market share of refinance loans made in both low- and moderate-income census tracts in the AA exceeded the bank's overall market share of refinance loans.

Small Loans to Businesses

Refer to Table 6 in the State of New Hampshire 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 overall geographic distribution of small loans to businesses was good. The portion of small loans to businesses made in low-income census tracts exceeded, and in moderate-income tracts was somewhat lower than, the portion of businesses that are in those census tracts. The market share of small business loans originated in low-income census tracts exceeded, and in moderate-income census tracts was somewhat lower than, the bank's overall market share of small business loans in the AA.

Lending Gap Analysis

Reports detailing NBT's lending activity over the evaluation period for home mortgage loans, and 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 (93%) of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 92% of the bank's home mortgage loans, 96% of the small loans to businesses, 89% of the small loans to farms within the bank's AAs. The in/out ratio in 2011, while slightly lower, still represented a substantial majority of the bank's loans (87%) made in the bank's AAs. This performance

was positively factored into the overall analysis of the geographic distribution of lending by income level of census tracts.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of NBT's home mortgage and small loans to businesses reflects an adequate dispersion among borrowers of different income levels. In the evaluation of borrower distribution, we gave consideration to the household poverty level in each of the AAs. The household poverty level in the Manchester Nashua Region AA is 7%. 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.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the State of New Hampshire 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.

The overall distribution of home mortgage loans in the full-scope AA was adequate.

Home purchase loan borrower distribution was adequate. The portion of home purchase loans to moderate-income borrowers exceeded, and to low-income borrowers was significantly lower than, the portion of families defined as such. The market share for loans made to moderate-income borrowers exceeded, and to low-income borrowers was significantly lower than, NBT's overall market share in the AA for home purchase loans.

Home improvement loan borrower distribution was adequate. The portion of home improvement loans to moderate-income borrowers exceeded, and to low-income borrowers was significantly lower than, the portion of families defined as such. The market share for loans made to low- and moderate-income borrowers was significantly lower than NBT's overall market share in the AA for home improvement loans.

Home refinance loan borrower distribution was adequate. The portion of refinance loans made to moderate-income borrowers exceeded, and to low-income was lower than, the portion of families defined as such. The market share for loans made to moderate-income borrowers exceeded, and to low-income borrowers was significantly lower than NBT's overall market share in the AA for refinance loans.

Small Loans to Businesses

Refer to Table 11 in the State of New Hampshire 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 was adequate. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) in the Manchester Nashua Region AA was lower than the portion of businesses that are defined as such. The market share of small loans to businesses was significantly lower than NBT's overall market share of small business loans. However, NBT did not report business revenue for 63.32% of its small-sized loans, making comparisons to demographics and market share less meaningful in measuring performance. When using the size of the loans made by the bank as a proxy for the size of the businesses, NBT's distribution of loans was

adequate. Of the small-sized loans, 42.21% of the loans were for \$100,000 or less and 78.57% of its loans for less than \$250,000, suggesting an adequate distribution of loans to smaller-sized businesses under this proxy.

Community Development Lending

Refer to Table 1 Lending Volume in the State of New Hampshire section of Appendix D for the facts and data used to evaluate the bank's level of CD 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.

NBT made one CD loan for \$1.6 million in the Manchester Nashua Region AA, which had a significant positive impact. The loan supported the construction of affordable rental housing for low-income senior citizens.

Product Innovation and Flexibility

NBT's innovative and flexible lending activity had a neutral impact on the evaluation of its lending performance in the State of New Hampshire.

NBT offers Federal Housing Administration (FHA), United States Department of Agriculture (USDA), Rural Guaranteed, and its own First Home Affordable Housing Programs in New Hampshire. However, it did not make any loans under these programs in the Manchester Nashua Region full-scope AA during the evaluation period. NBT made a total of three loans under these programs in the limited-scope AAs during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, NBT's performance under the Lending Test in the Rockingham AA is not inconsistent with its performance in the full-scope AA. Performance in the Cheshire County AA was weaker than in the full-scope AA. The Cheshire County AA was weaker in geographic distribution and CD lending. The weaker performance in the Cheshire County AA did not have an impact on the overall rating under the Lending Test in the state. Refer to the Tables 1 through 12 in the State of New Hampshire section of Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Based on a full scope review of the Manchester Nashua Region AA, NBT's performance under the Investment Test in New Hampshire is rated Needs to Improve. Refer to Table 14 in the State of New Hampshire section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The level of investment in the New Hampshire was poor with only \$2,500 in qualified investments made in the evaluation period. Although NBT did not begin operations in the state until mid-2012, there was sufficient time available to make a higher level of qualified investments in the AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment Test in the limited scope AAs was not inconsistent with performance in the full-scope AA. Refer to Table 14 in the State of New Hampshire 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 Hampshire is rated Outstanding. Based on full-scope review, the bank's performance in New Hampshire is excellent.

Retail Banking Services

Refer to Table 15 in the State of New Hampshire 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.

NBT's delivery systems are readily accessible to census tracts and individuals of different income levels throughout the full-scope AA. The bank has two branches in the Manchester Nashua Region AA, both located in low-income census tracts where 6.59% of the AA population resides.

NBT did not open or close any branches in the AA. All five branches in the state were acquired by the purchase of New Hampshire First bank in 2012.

NBT's hours and services offered in New Hampshire are excellent. Management sets branch hours based on customer needs and traffic patterns in each area. Both offices are open 9:00AM-5:00PM Monday through Friday. The Canal Street office also has Saturday morning hours.

NBT offers services that provide easy access to funds for low-income people who receive government assistance. Recipients (customer or non-customer) of Electronic Benefits Transfer Programs (EBT) can withdraw funds from any NBT ATM free of charge in the five states that NBT has offices.

The bank's Classic Checking Account, a basic account without a monthly maintenance charge or minimum balance requirement, is an affordable option for people with low- or moderate-income. There are no balance requirements or check writing limits on the accounts. A debit or credit card can be attached to the account without a fee.

Money orders are available for \$3 to non-bank customers who may not have sufficient means to have a bank account. The service provides an alternative to cash for paying bills.

NBT offers alternative delivery systems in the form of ATMs. The geographic distribution of the ATMs is similar to the branch distribution. Customers and non-customers alike can access their accounts through NBT ATMs, which are connected to the Visa, NYCE and PLUS ATM systems. Customers may also use their NBT ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the VISA, NYCE or PLUS logos.

NBT also offers alternative delivery systems of bank-by-phone, online banking and mobile banking. These services allow customers to obtain deposit and loan account information, make payments on NBT 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

NBT's performance in providing CD services in the State of New Hampshire was adequate. We gave consideration to the shorter evaluation period in New Hampshire, having begun operations in the AA in the middle of 2012, in our evaluation of CD service performance in the AA.

NBT provided an adequate level of support to a CD service organization in the AA. A senior executive served on the Board of Directors of an organization that promotes economic development in the Manchester Nashua Region AA. The executive devoted 25 hours to the organization that provides financing for small businesses and farms that are creating and retaining jobs in the AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, NBT's performance under the Service Test in the limited-scope AAs is not inconsistent with its performance in the full-scope AA in New Hampshire. Refer to Table 15 in the State of New Hampshire section of Appendix D 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): (01/01/2011 to 12/31/2013) Investment & Service Tests, & CD Loans: (03/14/2011 to 03/16/2014)	
Financial Institution	Products Reviewed	
NBT Bank, National Association (NBT) Norwich, New York	Home Purchase, Home Improvement, and Refinance Loans reported on the HMDA LAR, Small Business and Small Farm Loans reported on the CRA Register, and CD Loans	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
New York Southern Tier Albany Region Binghamton MSA Fulton-Montgomery Utica-Rome MSA Glens Falls MSA Northern NY Non MSA Syracuse NY MSA	Full-Scope Full-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope	
Pennsylvania Lackawanna-Luzerne PA Pike Northeast PA Non MSA	Full-Scope Limited-Scope Limited-Scope	
Vermont Chittenden VT	Full-Scope	
Massachusetts Berkshire County MA	Full-Scope	
New Hampshire Manchester Nashua Region Rockingham Cheshire County	Full-Scope Limited-Scope Limited-Scope	

Appendix B: Summary of State Ratings

NBT Bank, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
NBT Bank, N.A.	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State:				
New York	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
Pennsylvania	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
Vermont	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
Massachusetts	Low Satisfactory	Needs to Improve	Low Satisfactory	Need to Improve
New Hampshire	High Satisfactory	Needs to Improve	Outstanding	Satisfactory

(*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

State of New York Full-Scope AAs

Institution ID: NBT Bank - Charter #1354

NBT 2013 Southern Tier AA

Demographic Information for Full-Scope Area: NBT 2013 Southern Tier AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	70	0.00	4.29	80.00	11.43	4.29
Population by Geography	259,273	0.00	4.37	80.50	12.57	2.56
Owner-Occupied Housing by Geography	74,245	0.00	3.87	83.14	12.97	0.01
Business by Geography	18,371	0.00	4.95	81.72	13.24	0.09
Farms by Geography	1,403	0.00	1.78	91.66	6.56	0.00
Family Distribution by Income Level	65,454	18.21	18.32	23.16	40.31	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	23,913	0.00	5.92	84.99	9.05	0.04
Median Family Income HUD Adjusted Median Family Income for 2013 Households Below Poverty Level		54,294 57,700 13%	Median Housing Value Unemployment Rate – April 2014		132,892 5.7%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2013 HUD updated MFI

The AA is part of the non-metropolitan area of the state. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income census tracts. The composition of the AA census tracts by income level is: 0% low-income, 4.29% moderate-income, 80% middle-income, 11.43% upper-income and 4.29% unclassified for income.

The Southern Tier AA is by far the largest geographically of the bank's eight AAs in New York State. It consists of the entire counties of Chenango, Otsego, Delaware, Greene and Cortland, with Greene and Cortland added after 2011. The AA has the largest representation of branch offices in New York with 29% of the bank's total branches. Thirty-two percent of the bank's total deposits in New York State were domiciled in the AA as of June 30, 2013. Loan originations in the AA represented 24% of NBT's loan originations in New York State.

The Southern Tier AA is a fairly competitive market for financial services. NBT competes with larger banks, large credit unions, and similar and smaller size community banks. According to the FDIC market share report as of June 30, 2013, NBT is ranked number one for market share of deposits in the AA with a 34.23% share. NBT is a full-service lender offering a broad menu of lending products that include business loans, home mortgage loans, home equity loans, and consumer loans. The bank's business focus is primarily on retail lending and commercial lending.

Eighty-one percent of the housing in the AA is one-to-four family units, 6% are multifamily units, and 14% are mobile homes. Of total housing units, 55% are owner-occupied, 20% are renter-occupied, and 25% are vacant. The median housing value was \$132,892 in the 2010 census. Housing stock consists

mostly of older homes, with 1960 the median year homes were built in the AA. Sixteen percent of the population is over age 65.

According to the 2013 business demographics, there are 19,774 businesses in the AA, of which 1,403 are farms. Small businesses represent 95% of the businesses reporting revenues (23% of AA businesses did not report revenues). Approximately 75% of businesses reported having less than 10 employees. The primary industries in the AA are services 41%, retail trade 14%, construction 8% and agriculture 7%. Major employers in the AA include NBT Bank, Chenango Memorial Hospital, Bassett Healthcare, Amphenol Corporation, Mead Westvaco, SUNY Oneonta, New York Mutual Fire Insurance Company, the Raymond Corporation and Chobani.

The unemployment rate in April 2014 was 5.7% for Upstate New York, improving from 7.4% a year earlier. The five counties in the AA had unemployment rates ranging from 5.3% to 6.3%.

There are ample CD opportunities available in the AA as evidenced by the bank's CD activities, information from community contacts and other public information.

Institution ID: NBT Bank - Charter #1354

NBT 2013 Albany Region AA

Demographic Information for Full-Scope Area: NBT 2013 Albany Region AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	218	11.01	16.51	50.00	21.56	0.92
Population by Geography	870,716	9.63	14.16	50.96	24.89	0.37
Owner-Occupied Housing by Geography	229,151	4.37	11.32	56.55	27.76	0.00
Business by Geography	65,665	7.59	15.65	50.07	26.66	0.03
Farms by Geography	1,905	1.78	10.34	66.19	21.68	0.00
Family Distribution by Income Level	213,800	20.53	18.05	21.80	39.62	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	82,480	15.02	20.96	49.39	14.64	0.00
Median Family Income		74,739	Median Housing Value	186,839		
HUD Adjusted Median Family Income for 2013		77,700	Unemployment Rate – April 2014	5.7%		
Households Below Poverty Level		10%				

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2013 HUD updated MFI

The AA consists of the entire five county Albany-Schenectady Troy Metropolitan Statistical Area (MSA). The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income census tracts. The composition of the AA census tracts by income level is: 11.01% low-income, 16.51% moderate-income, 50% middle-income, 21.56% upper-income, and .92% unclassified for income.

The Albany Region AA has the second largest representation of branch offices in New York with 13% of the bank's total branches. Thirteen percent of the bank's total deposits in New York State were domiciled in the AA as of June 30, 2013. Loan originations in the AA represented 14% of NBT's loan originations in New York State.

The Albany Region AA is a very competitive market for financial services. NBT competes with larger banks, large credit unions, and similar and smaller size community banks. According to the FDIC market share report as of June 30, 2013, NBT is ranked number nine for market share of deposits in the AA with a 2.76% share. NBT is a full-service lender offering a broad menu of lending products that include business loans, home mortgage loans, home equity loans, and consumer loans. The bank's business focus is primarily on retail lending and commercial lending.

Eighty-two percent of the housing in the AA is one-to-four family units, 14% are multifamily units, and 4% are mobile homes. Of total housing units, 59% are owner-occupied, 30% are renter-occupied, and 11% are vacant. The median housing value was \$186,839 in the 2010 census. Housing stock consists mostly of older homes, with 1960 the median year homes were built in the AA. Fourteen percent of the population is over age 65.

According to the 2013 business demographics, there are 67,570 businesses in the AA, of which 1,905 are farms. Small businesses represent 94% of the businesses reporting revenues (24% of AA businesses did not report revenues). Approximately 73% of businesses reported having less than 10 employees. The primary industries in the AA are services 46%, retail trade 13%, construction 8%, and finance/insurance 7%. Major employers in the AA include St. Peters Health Partners, State of New York, GE Corp, Albany Medical Center, Golub Corp. (Price Chopper), Global Foundries, and Bechtel Marine Propulsion/Knolls Atomic Power Laboratory.

The unemployment rate in April 2014 was 5.7% for Upstate New York, improving from 7.4% a year earlier. The five counties in the AA had unemployment rates ranging from 4.5% to 7.0%.

There are ample CD opportunities available in the AA as evidenced by the bank's CD activities, information from community contacts and other public information.

State of Pennsylvania Full-Scope AA

Institution ID: NBT Bank - Charter #1354

NBT 2013 Lackawanna-Luzerne PA AA

Demographic Information for Full Scope Area: NBT 2013 Lackawanna-Luzerne PA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	163	2.45	21.47	57.67	17.79	0.61
Population by Geography	535,355	2.28	19.33	56.18	22.21	0.00
Owner-Occupied Housing by Geography	148,538	0.71	15.25	59.47	24.57	0.00
Business by Geography	45,860	5.64	16.05	55.95	22.23	0.12
Farms by Geography	907	0.99	8.82	57.88	32.30	0.00
Family Distribution by Income Level	139,399	20.44	18.03	21.57	39.96	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	53,622	2.71	26.85	56.28	14.16	0.00
Median Family Income		56,045	Median Housing Value		123,034	
HUD Adjusted Median Family Income for 2013		59,200	Unemployment Rate – May 2014		7%	
Households Below Poverty Level		13%				

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2013 HUD updated MFI

The Lackawanna-Luzerne PA AA consists of the entire counties of Lackawanna and Luzerne. The AA is part of the Scranton/Wilkes-Barre MSA (42540). It does not include Wyoming County where NBT has no branch offices. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income census tracts. The composition of the AA census tracts by income level is: 2.45% low-income, 21.47% moderate-income, 57.67% middle-income, 17.79% upper-income, and .61% not classified for income.

The Lackawanna-Luzerne PA AA is the largest of the bank's three AAs in the State of Pennsylvania. The AA has 56% of the bank's branches in Pennsylvania. Fifty-three percent of the bank's total deposits in Pennsylvania were domiciled in the AA as of June 30, 2013. Loan originations in the AA represented 60% of the bank's loan originations in Pennsylvania in the evaluation period.

The Lackawanna-Luzerne PA AA is a very competitive market for financial services. NBT competes with larger banks, credit unions, and similar and smaller size community banks. According to the FDIC market share report as of June 30, 2013, NBT ranked ninth for market share of deposits in the AA at 4.67% share. NBT is a full service lender offering a broad menu of lending products that include business loans, home mortgage loans, home equity loans, and consumer loans. The bank's business focus is primarily on retail lending and commercial lending.

Eighty-nine percent of the housing in the AA is one-to-four family units, 8% is multifamily units, and 3% is mobile homes. Of total housing units, 61% are owner-occupied, 28% are renter-occupied, and 11% are vacant. The median housing value was \$123,034 in the 2010 census. Housing stock consists mostly of older homes, with 1953 the median year homes were built in the AA. Eighteen percent of the population is over age 65.

According to the 2013 business demographics, there are 46,767 businesses in the AA, of which 907 are farms. Small businesses represent 94% of the businesses reporting revenues. Twenty five percent of businesses did not report revenues for 2013. Approximately 72% of businesses reported having less than ten employees. The primary industries in the AA are services 42%, retail trade 16%, construction 8% and finance 7%. Major employers in the AA include Wyoming Valley Healthcare System, Tobyhanna Army Depot, Proctor and Gamble Paper Products, Keystone Automotive Operations, PTG Energy, and Pride Mobility Products.

The unemployment rate in May 2014 was 6.7% in Lackawanna County and 7.2% in Luzerne County, higher than the state average of 5.7% and national average of 6.3%.

There is a reasonable level of CD opportunities available in the AA as evidenced by the bank's CD activities, information from community contacts and public information.

State of Vermont Full-Scope AA

Institution ID: NBT Bank - Charter #1354

NBT 2013 Chittenden VT AA

Demographic Information for Full Scope Area: NBT 2013 Chittenden VT AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	35	2.86	17.14	51.43	25.71	2.86
Population by Geography	156,545	2.01	14.56	51.65	31.78	0.00
Owner-Occupied Housing by Geography	40,586	0.53	9.94	53.67	35.77	0.09
Business by Geography	18,402	1.97	16.60	48.90	32.36	0.00
Farms by Geography	0501	1.40	5.99	48.10	44.51	0.00
Family Distribution by Income Level	36,798	16.36	17.62	22.80	43.23	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,503	2.61	22.03	52.52	22.55	0.30
Median Family Income		72,928	Median Housing Value	270,248		
HUD Adjusted Median Family Income for 2013		77,500	Unemployment Rate – April 2014	2.6%		
Households Below Poverty Level		11%				

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2013 HUD updated MFI

The Chittenden VT AA consists of only one county, Chittenden County. The AA is part of the Burlington-South Burlington MSA (MSA #15540). It does not include the counties of Franklin and Grand Ile, where NBT does not have any branch offices. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income census tracts. The composition of the AA census tracts by income level is: 2.86% low-income, 17.14% moderate-income, 51.43% middle-income, 25.71% upper-income, and 2.86% not classified for income.

The Chittenden VT AA is a competitive market for financial services. NBT competes with larger banks, large credit unions, and similar and smaller size community banks. According to the FDIC market share report as of June 30, 2013, NBT ranked seventh for market share of deposits in the AA with a 1.25% market share. NBT is a full service lender offering a broad menu of lending products that include business loans, home mortgage loans, home equity loans, and consumer loans. The bank's business focus is primarily on retail lending and commercial lending.

Seventy-nine percent of the housing in the AA is one-to-four family units, 17% is multifamily units, and 4% is mobile homes. Of total housing units, 63% are owner-occupied, 32% are renter-occupied, and 5% are vacant. The median housing value was \$270,248 in the 2010 census. The housing stock in this AA is newer than the full-scope AAs in New York and Pennsylvania, with 1970 as the median year the housing was built.

According to the 2013 business demographics, there are 18,903 businesses in the AA, of which 501 are farms. Small businesses represent 93% of the businesses that report revenue information. Twenty-four percent of AA businesses did not report revenues for 2013. Approximately 72% of businesses reported having less than 10 employees. The primary industries in the AA are services 47%, retail trade 11%, and construction and finance/insurance each 7%. Major employers in the AA include IBM, Fletcher

Allen Healthcare, the University of Vermont, and Goodrich Corp., Dealer.com, Green Mountain Coffee Roasters, and Ben & Jerry's.

The unemployment rate in April 2014 in the AA was very good at 2.6% compared to the state average of 3.7% and national average of 6.2%.

The AA has CD opportunities available as evidenced by the bank's CD activities, and information from community contacts and public information.

State of Massachusetts Full-Scope AA

Institution ID: NBT Bank - Charter #1354

NBT 2013 Berkshire County MA AA

Demographic Information for Full Scope Area: NBT 2013 Berkshire County MA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	39	2.56	10.26	66.67	20.51	0.00
Population by Geography	131,219	2.58	10.63	66.83	19.95	0.00
Owner-Occupied Housing by Geography	38,332	0.63	6.91	69.52	22.94	0.00
Business by Geography	12,148	7.48	7.83	62.79	21.90	0.00
Farms by Geography	389	0.77	7.20	67.61	24.42	0.00
Family Distribution by Income Level	33,202	21.78	17.02	22.60	38.61	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	12,882	3.70	16.88	67.44	11.99	0.00
Median Family Income HUD Adjusted Median Family Income for 2013 Households Below Poverty Level		64,783 56,400 12%	Median Housing Value Unemployment Rate - April 2014		227,331 6.3%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2013 HUD updated MFI

The Berkshire County MA AA consists of only one county, Berkshire County. Berkshire County is the only county in the Pittsfield Massachusetts MSA (MSA # 38340), and is located in the eastern portion of Massachusetts. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income census tracts. The composition of the AA census tracts by income level is: 2.56% low-income, 10.26% moderate-income, 66.67% middle-income, and 20.51% upper-income.

The Berkshire County MA AA is a competitive market for financial services. NBT competes with larger banks, large credit unions, and similar and smaller size community banks. According to the FDIC market share report as of June 30, 2013, NBT ranked seventh for market share of deposits in the AA with a 3.62% share. NBT is a full service lender offering a broad menu of lending products that include business loans, home mortgage loans, home equity loans, and consumer loans. The bank's business focus is primarily on retail lending and commercial lending.

Eighty-six percent of the housing in the AA is one to four family units, 11% is multifamily units, and 2% is mobile homes. Of total housing units, 56% are owner-occupied, 25% are renter-occupied, and 19% are vacant. The median housing value was \$227,331 in the 2010 census. The housing stock in the AA is older, with 1953 as the median year the housing was built.

According to the 2013 business demographics, there are 12,537 businesses in the AA, of which 389 are farms. Small businesses represent 94% of the businesses that report revenue information. Twenty three percent of AA businesses did not report revenues for 2013. Approximately 74% of businesses reported having less than ten employees. The primary industries in the AA are services 44%, retail trade 15%, and construction 9%. Major employers in the AA include Crane and Company, Berkshire Healthcare Systems, General Dynamics, Sabic Innovative Plastics, and Onyx Specialty Paper.

The unemployment rate in April 2014 in the AA was 6.3% compared to the state average of 5.6% and national average of 6.2%.

The AA has CD opportunities available as evidenced by the bank's CD activities, and information from community contacts and public information.

State of New Hampshire Full-Scope AA

Institution ID: NBT Bank - Charter #1354

NBT 2013 Manchester Nashua Region AA

Demographic Information for Full Scope Area: NBT 2013 Manchester Nashua Region AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	86	9.30	22.09	48.84	18.60	1.16
Population by Geography	400,721	6.59	18.76	51.11	23.55	0.00
Owner-Occupied Housing by Geography	105,611	1.81	14.24	55.69	28.26	0.00
Business by Geography	37,260	11.39	14.29	49.34	24.66	0.31
Farms by Geography	918	2.94	9.59	57.08	30.28	0.11
Family Distribution by Income Level	104,907	18.88	18.83	23.63	38.65	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	39,569	10.18	26.27	48.45	15.10	0.00
Median Family Income		81,794	Median Housing Value		265,701	
HUD Adjusted Median Family Income for 2013		84,700	Unemployment Rate -		4.4%	
Households Below Poverty Level		7%	April 2014			

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 US Census and 2013 HUD updated MFI

The Manchester Nashua Region full-scope AA consists of only one county, Hillsborough County. Hillsborough County is the only county in the Manchester-Nashua New Hampshire MSA (MSA # 31700), and is located in south central New Hampshire. The AA meets the requirement of the regulation and does not arbitrarily exclude low- or moderate-income census tracts. The composition of the AA census tracts by income level is: 9.30% low-income, 22.09% moderate-income, 48.84% middle-income, 18.60% upper-income, and 1.16% not classified for income.

The Manchester Nashua Region AA is the largest of the bank's three AAs in the State of New Hampshire. The AA has 40% of the bank's branches in the state. Sixty-five percent of the bank's total deposits in New Hampshire were domiciled in the AA as of June 30, 2013. Loan originations in the AA represented 63% of the bank's loan originations in New Hampshire in the evaluation period.

The Manchester Nashua Region AA is a competitive market for financial services. NBT competes with larger banks, large credit unions, and similar and smaller size community banks. According to the FDIC market share report as of June 30, 2013, NBT ranked ninth for market share of deposits in the AA with a .83% market share. NBT is a full service lender offering a broad menu of lending products that include business loans, home mortgage loans, home equity loans, and consumer loans. The bank's business focus is primarily on retail lending and commercial lending.

Seventy-nine percent of the housing in the AA is one-to-four family units, 19% is multifamily units, and 2% is mobile homes. Of total housing units, 64% are owner-occupied, 29% are renter-occupied, and 7% are vacant. The median housing value was \$265,701 in the 2010 census. Like the Chittenden VT AA, the housing stock in this AA is newer than the full-scope AAs in New York, Pennsylvania, and Massachusetts, with 1969 as the median year the housing was built.

According to the 2013 business demographics, there are 38,178 businesses in the AA, of which 918 are farms. Small businesses represent 92% of the businesses that report revenue information. Twenty one percent of AA businesses did not report revenues for 2013. Approximately 75% of businesses reported having less than ten employees. The primary industries in the AA are services 44%, retail trade 13%, and construction 10%. Major employers in the AA include Bottomline Technologies, C&S Wholesale Grocers, Catholic Medical Center, Cheshire Medical Center, Concord Hospital, eCopy, Fisher Scientific International, Inc., Fidelity Investments, and Timberland.

The unemployment rate in April 2014 in the AA was 4.4%, which compared close to the state average of 4.3%.

The AA has CD opportunities available as evidenced by the bank's CD activities, and information from community contacts and public information.

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/AA; (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 - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/AA. 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/AA. 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/AA.

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, 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.

Tables of Performance Data

State of New York

Institution ID: NBT Bank - Charter #1354

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW YORK STATE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area (2013):	% 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:												
NBT 2013 Albany Region AA	12.89	482	96,836	587	86,662	35	2,950	14	65,829	1,118	252,277	13.28
NBT 2013 Southern Tier AA	24.29	1,181	99,393	690	63,250	231	18,787	5	15,084	2,107	196,514	31.90
Limited Review:												
2013 Utica Rome AA	13.37	444	51,200	553	70,708	139	12,799	25	78,371	1,159	231,078	8.64
NBT 2013 Binghamton AA	7.70	309	26,084	308	38,939	43	3,035	9	12,818	668	80,876	6.53
NBT 2013 Fulton Montgomery AA	11.50	612	40,837	301	24,694	83	5,429	1	5,215	997	76,175	14.07
NBT 2013 Glens Falls AA	2.54	115	22,675	103	16,714	0	0	2	8,343	220	47,732	.98
NBT 2013 Northern Region AA	13.88	635	66,376	551	60,779	14	1,760	4	5,321	1,204	134,236	8.10
NBT 2013 Syracuse Region AA	13.84	559	71,933	486	60,296	153	12,129	2	5,789	1,200	150,146	16.50

* Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from March 14, 2011 to March 16, 2014.

*** Deposit Data as of June 30, 2013. 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 STATE				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
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:																
NBT 2013 Albany Region AA	116	9.21	4.37	4.31	11.32	20.69	56.55	56.90	27.76	18.10	0.40	0.30	0.84	0.38	0.29	
NBT 2013 Southern Tier AA	357	28.36	0.00	0.00	3.87	3.92	83.15	85.99	12.98	10.08	7.10	0.00	6.86	8.36	1.55	
Limited Review:																
2013 Utica Rome AA	161	12.79	2.90	0.62	8.83	3.73	60.03	45.34	28.24	50.31	1.44	0.00	0.45	1.15	2.33	
NBT 2013 Binghamton AA	92	7.31	2.26	2.17	10.05	14.13	57.21	60.87	30.48	22.83	1.97	1.79	2.30	2.26	1.43	
NBT 2013 Fulton Montgomery AA	103	8.18	2.29	2.91	15.18	12.62	73.44	81.55	9.10	2.91	4.83	3.57	4.51	5.22	2.47	
NBT 2013 Glens Falls AA	54	4.29	0.00	0.00	3.27	3.70	69.93	72.22	26.79	24.07	2.86	0.00	2.04	3.18	2.26	
NBT 2013 Northern Region AA	162	12.87	0.00	0.00	9.21	14.20	74.29	63.58	16.50	22.22	3.94	0.00	6.40	3.78	3.13	
NBT 2013 Syracuse Region AA	214	17.00	3.25	2.34	13.57	6.54	49.17	44.39	34.01	46.73	0.13	0.00	0.09	0.19	0.09	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: NEW YORK STATE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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	Overall	Low	Mod	Mid	Upp	
Full Review:																
NBT 2013 Albany Region AA	198	13.30	4.37	1.01	11.32	21.72	56.55	60.61	27.76	16.67	6.17	2.94	12.14	6.22	3.74	
NBT 2013 Southern Tier AA	407	27.33	0.00	0.00	3.87	0.74	83.15	95.58	12.98	3.69	30.29	0.00	6.45	35.12	7.69	
Limited Review:																
2013 Utica Rome AA	140	9.40	2.90	0.71	8.83	7.14	60.03	69.29	28.24	22.86	6.66	0.00	9.33	6.59	6.81	
NBT 2013 Binghamton AA	92	6.18	2.26	2.17	10.05	19.57	57.21	61.96	30.48	16.30	7.35	11.11	18.75	6.40	6.02	
NBT 2013 Fulton Montgomery AA	316	21.22	2.29	0.63	15.18	20.57	73.44	76.27	9.10	2.53	59.79	0.00	73.47	60.75	21.74	
NBT 2013 Glens Falls AA	23	1.54	0.00	0.00	3.27	0.00	69.93	60.87	26.79	39.13	6.19	0.00	0.00	4.69	10.00	
NBT 2013 Northern Region AA	215	14.44	0.00	0.00	9.21	9.30	74.29	67.91	16.50	22.79	10.70	0.00	11.70	9.70	14.69	
NBT 2013 Syracuse Region AA	98	6.58	3.25	0.00	13.57	5.10	49.17	65.31	34.01	29.59	0.86	0.00	1.08	1.32	0.15	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
NBT 2013 Albany Region AA	154	10.07	4.37	0.65	11.32	18.83	56.55	57.14	27.76	23.38	0.42	0.00	1.74	0.40	0.22	
NBT 2013 Southern Tier AA	410	26.80	0.00	0.00	3.87	0.73	83.15	91.71	12.98	7.56	9.54	0.00	2.52	11.83	1.66	
Limited Review:																
2013 Utica Rome AA	138	9.02	2.90	0.00	8.83	11.59	60.03	52.17	28.24	36.23	2.34	0.00	5.00	2.02	2.54	
NBT 2013 Binghamton AA	121	7.91	2.26	1.65	10.05	8.26	57.21	66.12	30.48	23.97	2.93	3.23	2.90	3.39	2.25	
NBT 2013 Fulton Montgomery AA	189	12.35	2.29	1.59	15.18	14.81	73.44	77.25	9.10	6.35	12.21	33.33	21.35	12.61	2.96	
NBT 2013 Glens Falls AA	35	2.29	0.00	0.00	3.27	5.71	69.93	54.29	26.79	40.00	1.78	0.00	4.55	1.05	3.24	
NBT 2013 Northern Region AA	239	15.62	0.00	0.00	9.21	12.97	74.29	68.62	16.50	18.41	6.71	0.00	8.39	6.54	6.73	
NBT 2013 Syracuse Region AA	244	15.95	3.25	0.41	13.57	8.20	49.17	52.05	34.01	39.34	0.21	0.00	0.38	0.31	0.08	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:															
NBT 2013 Albany Region AA	14	24.14	13.50	7.14	22.87	21.43	40.10	71.43	23.53	0.00	3.57	0.00	3.57	6.78	0.00
NBT 2013 Southern Tier AA	6	10.34	0.00	0.00	7.33	0.00	80.19	83.33	12.48	16.67	20.00	0.00	0.00	23.08	0.00
Limited Review:															
2013 Utica Rome AA	5	8.62	15.96	0.00	27.21	40.00	39.87	20.00	16.96	40.00	11.11	0.00	33.33	0.00	25.00
NBT 2013 Binghamton AA	4	6.90	20.23	50.00	32.78	0.00	31.43	25.00	15.57	25.00	3.45	0.00	0.00	6.25	0.00
NBT 2013 Fulton Montgomery AA	4	6.90	10.18	50.00	35.10	25.00	54.08	25.00	0.64	0.00	0.00	0.00	0.00	0.00	0.00
NBT 2013 Glens Falls AA	3	5.17	0.00	0.00	15.97	0.00	63.91	100.00	20.12	0.00	0.00	0.00	0.00	0.00	0.00
NBT 2013 Northern Region AA	19	32.76	0.16	0.00	25.18	26.32	50.32	31.58	24.34	42.11	25.00	0.00	0.00	33.33	33.33
NBT 2013 Syracuse Region AA	3	5.17	24.54	33.33	25.39	33.33	31.05	33.33	19.02	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:																					
NBT 2013 Albany Region AA	587	16.50	7.59	2.90	15.65	10.90	50.07	67.29	26.66	18.91	1.90	0.66	1.39	2.63	1.36						
NBT 2013 Southern Tier AA	690	19.39	0.00	0.00	4.95	3.48	81.72	85.65	13.24	10.87	7.29	0.00	8.97	8.82	4.42						
Limited Review:																					
2013 Utica Rome AA	533	14.98	4.65	1.50	13.45	14.07	55.27	48.22	25.23	36.21	5.56	3.16	2.93	5.61	7.07						
NBT 2013 Binghamton AA	308	8.66	7.78	12.01	13.72	13.96	51.45	40.91	27.06	33.12	4.98	4.95	4.95	4.90	5.85						
NBT 2013 Fulton Montgomery AA	301	8.46	3.65	3.32	18.32	19.60	70.95	75.42	7.09	1.66	8.20	6.33	11.55	9.12	1.54						
NBT 2013 Glens Falls AA	103	2.89	0.00	0.00	9.90	18.45	68.32	57.28	21.78	24.27	3.77	0.00	6.30	3.89	3.40						
NBT 2013 Northern Region AA	550	15.46	0.15	0.00	11.72	13.45	67.70	61.64	20.15	24.91	6.72	0.00	9.90	6.64	8.52						
NBT 2013 Syracuse Region AA	486	13.66	13.12	8.85	14.10	7.20	43.63	72.02	29.14	11.93	0.36	0.08	0.14	0.64	0.19						

* Based on 2012 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 (2013).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: NEW YORK STATE				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
NBT 2013 Albany Region AA	35	5.07	1.78	0.00	10.34	28.57	66.19	71.43	21.68	0.00	25.97	0.00	50.00	24.14	0.00	
NBT 2013 Southern Tier AA	229	33.14	0.00	0.00	1.78	0.44	91.66	99.56	6.56	0.00	57.34	0.00	33.33	59.33	0.00	
Limited Review:																
2013 Utica Rome AA	135	19.54	0.83	0.00	2.58	4.44	78.53	83.70	17.96	11.85	52.38	0.00	83.33	50.00	57.14	
NBT 2013 Binghamton AA	43	6.22	0.60	0.00	6.72	4.65	73.73	95.35	18.96	0.00	26.03	0.00	16.67	29.51	0.00	
NBT 2013 Fulton Montgomery AA	83	12.01	0.74	0.00	15.59	43.37	68.56	55.42	15.10	1.20	70.49	0.00	76.00	69.70	50.00	
NBT 2013 Glens Falls AA	0	0.00	0.00	0.00	3.05	0.00	72.52	0.00	24.43	0.00	0.00	0.00	0.00	0.00	0.00	
NBT 2013 Northern Region AA	13	1.88	0.00	0.00	1.82	0.00	86.38	100.00	11.80	0.00	2.96	0.00	0.00	3.13	0.00	
NBT 2013 Syracuse Region AA	153	22.14	2.17	0.00	8.62	3.27	60.28	90.85	28.93	5.88	39.81	0.00	27.27	53.10	7.55	

* Based on 2012 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 (2013).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK STATE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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:															
NBT 2013 Albany Region AA	116	9.21	20.53	14.04	18.05	28.07	21.80	25.44	39.62	32.46	0.44	0.69	0.34	0.41	0.47
NBT 2013 Southern Tier AA	358	28.41	18.21	9.12	18.32	20.80	23.16	22.22	40.31	47.86	8.29	12.90	9.12	8.75	6.95
Limited Review:															
2013 Utica Rome AA	161	12.78	21.06	6.45	17.28	21.94	21.41	21.94	40.26	49.68	1.73	0.93	1.44	1.09	2.79
NBT 2013 Binghamton AA	92	7.30	20.53	10.59	18.21	23.53	21.41	23.53	39.85	42.35	2.18	2.31	2.69	1.76	2.08
NBT 2013 Fulton Montgomery AA	103	8.17	21.91	8.00	18.82	22.00	20.63	24.00	38.64	46.00	5.93	8.82	4.12	4.72	7.57
NBT 2013 Glens Falls AA	54	4.29	17.09	5.56	18.03	11.11	21.72	27.78	43.16	55.56	3.15	2.22	2.74	3.09	3.48
NBT 2013 Northern Region AA	162	12.86	20.59	7.89	18.47	21.05	20.81	26.97	40.14	44.08	4.68	9.09	5.30	3.99	4.16
NBT 2013 Syracuse Region AA	214	16.98	21.35	7.48	17.13	18.22	21.49	17.76	40.04	56.54	0.16	0.00	0.16	0.06	0.29

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.8% of loans originated and purchased by bank.

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								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ²	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Albany Region AA	198	13.30	20.53	21.03	18.05	25.13	21.80	22.05	39.62	31.79	6.38	13.17	6.83	5.46	4.72
NBT 2013 Southern Tier AA	407	27.33	18.21	13.04	18.32	23.02	23.16	32.23	40.31	31.71	30.21	39.06	26.76	35.35	25.50
Limited Review:															
2013 Utica Rome AA	140	9.40	21.06	12.41	17.28	18.25	21.41	24.82	40.26	44.53	6.66	8.40	3.95	5.95	8.10
NBT 2013 Binghamton AA	92	6.18	20.53	15.38	18.21	25.27	21.41	28.57	39.85	30.77	7.45	13.58	9.24	5.17	5.99
NBT 2013 Fulton Montgomery AA	316	21.22	21.91	10.75	18.82	26.38	20.63	25.73	38.64	37.13	60.89	50.00	62.12	69.84	57.89
NBT 2013 Glens Falls AA	23	1.54	17.09	0.00	18.03	17.39	21.72	21.74	43.16	60.87	6.38	0.00	10.71	2.04	8.79
NBT 2013 Northern Region AA	215	14.44	20.59	11.43	18.47	19.52	20.81	26.67	40.14	42.38	11.04	8.06	10.53	12.32	11.35
NBT 2013 Syracuse Region AA	98	6.58	21.35	7.22	17.13	24.74	21.49	22.68	40.04	45.36	0.82	0.69	0.92	1.27	0.53

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.6% of loans originated and purchased by bank.

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				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
NBT 2013 Albany Region AA	154	10.07	20.53	14.57	18.05	25.17	21.80	23.18	39.62	37.09	0.48	1.06	0.72	0.48	0.31	
NBT 2013 Southern Tier AA	410	26.80	18.21	7.89	18.32	17.05	23.16	29.77	40.31	45.29	10.22	21.79	10.81	12.50	8.22	
Limited Review:																
2013 Utica Rome AA	138	9.02	21.06	6.57	17.28	21.90	21.41	31.39	40.26	40.15	2.52	4.12	3.09	3.40	1.70	
NBT 2013 Binghamton AA	121	7.91	20.53	8.47	18.21	24.58	21.41	30.51	39.85	36.44	3.14	5.19	3.56	3.84	2.35	
NBT 2013 Fulton Montgomery AA	189	12.35	21.91	7.49	18.82	24.06	20.63	24.06	38.64	44.39	14.84	25.00	24.43	13.96	11.42	
NBT 2013 Glens Falls AA	35	2.29	17.09	3.03	18.03	21.21	21.72	18.18	43.16	57.58	1.95	0.00	3.65	1.84	1.79	
NBT 2013 Northern Region AA	239	15.62	20.59	3.46	18.47	19.05	20.81	25.54	40.14	51.95	7.36	8.45	11.67	7.54	6.13	
NBT 2013 Syracuse Region AA	244	15.95	21.35	7.82	17.13	15.23	21.49	21.81	40.04	55.14	0.23	0.98	0.22	0.20	0.16	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 2.4% of loans originated and purchased by bank.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: NEW YORK STATE			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013		
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****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less	
Full Review:										
NBT 2013 Albany Region AA	587	16.40	70.68	48.72	60.65	22.15	17.21	1.90	3.43	
NBT 2013 Southern Tier AA	690	19.28	71.02	58.26	76.67	13.33	10.00	7.29	15.24	
Limited Review:										
2013 Utica Rome AA	553	15.45	72.72	49.73	68.90	17.54	13.56	5.56	9.97	
NBT 2013 Binghamton AA	308	8.61	70.54	59.74	70.13	15.26	14.61	4.98	9.12	
NBT 2013 Fulton Montgomery AA	301	8.41	72.27	64.45	79.73	12.29	7.97	8.20	21.41	
NBT 2013 Glens Falls AA	103	2.88	73.55	61.17	57.28	24.27	18.45	3.77	7.45	
NBT 2013 Northern Region AA	551	15.40	70.10	69.15	71.51	15.97	12.52	6.72	16.32	
NBT 2013 Syracuse Region AA	486	13.58	72.54	30.25	75.10	10.70	14.20	0.36	0.61	

* Based on 2012 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 - 2013).

**** 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 6.73% 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 STATE			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:									
NBT 2013 Albany Region AA	35	5.07	97.85	68.57	71.43	20.00	8.57	25.97	43.59
NBT 2013 Southern Tier AA	229	33.14	98.72	91.27	76.86	17.03	6.11	57.34	73.55
Limited Review:									
2013 Utica Rome AA	135	19.54	98.76	92.59	76.30	20.00	3.70	52.38	74.71
NBT 2013 Binghamton AA	43	6.22	98.36	81.40	79.07	13.95	6.98	26.03	28.26
NBT 2013 Fulton Montgomery AA	83	12.01	99.26	87.95	80.72	16.87	2.41	70.49	85.71
NBT 2013 Glens Falls AA	0	0.00	99.24	0.00	0.00	0.00	0.00	0.00	0.00
NBT 2013 Northern Region AA	13	1.88	97.05	100.00	53.85	38.46	7.69	2.96	4.94
NBT 2013 Syracuse Region AA	153	22.14	96.75	91.50	74.51	16.99	8.50	39.81	59.69

* Based on 2012 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 - 2013).

**** 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 2.89% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NEW YORK STATE				Evaluation Period: March 14, 2011 to March 16, 2014			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
NBT 2013 Albany Region AA	0	0	17	1,815	17	1,815	7.88	0	0
NBT 2013 Southern Tier AA	0	0	22	7,899	22	7,899	34.30	0	0
Limited Review:									
2013 Utica Rome AA	0	0	9	491	9	491	2.13	0	0
NBT 2013 Binghamton AA	0	0	12	787	12	787	3.42	0	0
NBT 2013 Fulton Montgomery AA	0	0	4	2,873	4	2,873	12.48	0	0
NBT 2013 Glens Falls AA	0	0	0	0	0	0	0.00	0	0
NBT 2013 Northern Region AA	0	0	6	108	6	108	.468	0	0
NBT 2013 Syracuse Region AA	1	3,105	2	3,020	3	6,125	26.60	0	0
New York Regional	1	500	3	2,429	4	2,929	12.72	1	197

* '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 Evaluation Period: March,14, 2011 to March 16, 2014																	
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:																	
NBT 2013 Albany Region AA	13.28	15	13.39	0.00	13.33	73.33	13.33	0	0	0	0	0	0	9.63	14.16	50.96	24.89
NBT 2013 Southern Tier AA	31.90	33	29.46	0.00	0.00	84.85	15.15	0	0	0	0	0	0	0.00	4.37	80.50	12.57
Limited Review:																	
2013 Utica Rome AA	8.64	9	8.04	0.00	11.11	66.66	22.22	1	1	+1	0	-1	0	6.71	14.14	53.10	24.02
NBT 2013 Binghamton AA	6.53	9	8.04	11.11	33.33	44.44	11.11	1	1	+1	-1	0	0	4.90	14.20	52.84	28.05
NBT 2013 Fulton Montgomery AA	14.07	12	10.71	0.00	33.33	58.33	8.33	0	-1	0	0	-1	0	4.72	20.72	67.42	7.14
NBT 2013 Glens Falls AA	.98	2	1.79	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	6.81	67.53	25.66
NBT 2013 Northern Region AA	8.10	12	10.71	0.00	25.00	41.67	33.33	0	0	0	0	0	0	0.75	10.83	70.90	16.10
NBT 2013 Syracuse Region AA	16.50	20	17.86	15.00	15.00	35.00	35.00	0	0	0	0	0	0	10.26	16.23	44.09	29.35

Tables of Performance Data

State of Pennsylvania

Institution ID: NBT Bank - Charter #1354

Table 1. Lending Volume

LENDING VOLUME		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area (2013):	% 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:												
NBT 2013 Lackawanna Luzerne PA AA	59.56	676	68,078	299	34,244	0	0	3	600	978	102,922	52.53
Limited Review:												
NBT 2013 Northeast PA AA	32.28	366	33,371	161	12,382	1	19	2	2,043	530	47,815	41.53
NBT 2013 Pike County PA	8.16	100	10,813	34	2,361	0	0	0	0	134	13,174	5.94

* Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from March 14, 2011 to March 16, 2014.

*** Deposit Data as of June 30, 2013. 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: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Lackawanna Luzerne PA AA	116	59.79	0.71	1.72	15.25	11.21	59.47	50.00	24.57	37.07	1.07	2.50	1.14	1.01	1.09
Limited Review:															
NBT 2013 Northeast PA AA	59	30.41	0.00	0.00	2.11	1.69	63.64	94.92	34.26	3.39	0.71	0.00	0.00	1.05	0.00
NBT 2013 Pike County PA	19	9.79	0.00	0.00	80.12	84.21	19.88	15.79	0.00	0.00	0.42	0.00	0.49	0.00	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
Assessment Area:	Total Home Improvement 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:																
NBT 2013 Lackawanna Luzerne PA AA	212	58.24	0.71	0.94	15.25	6.60	59.47	56.13	24.57	36.32	7.55	7.14	2.94	7.23	10.17	
Limited Review:																
NBT 2013 Northeast PA AA	128	35.16	0.00	0.00	2.11	1.56	63.64	93.75	34.26	4.69	10.43	0.00	3.57	13.14	2.19	
NBT 2013 Pike County PA	24	6.59	0.00	0.00	80.12	91.67	19.88	8.33	0.00	0.00	8.59	0.00	9.73	0.00	0.00	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
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:																
NBT 2013 Lackawanna Luzerne PA AA	344	59.41	0.71	0.87	15.25	2.91	59.47	52.03	24.57	44.19	2.40	5.71	0.58	2.18	3.15	
Limited Review:																
NBT 2013 Northeast PA AA	178	30.74	0.00	0.00	2.11	0.56	63.64	93.82	34.26	5.62	1.73	0.00	1.01	2.34	0.49	
NBT 2013 Pike County PA	57	9.84	0.00	0.00	80.12	70.18	19.88	29.82	0.00	0.00	2.23	0.00	1.76	4.42	0.00	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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:															
NBT 2013 Lackawanna Luzerne PA AA	4	80.00	16.52	0.00	26.26	0.00	45.04	25.00	12.18	75.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
NBT 2013 Northeast PA AA	1	20.00	0.00	0.00	9.40	0.00	77.41	100.00	13.19	0.00	5.88	0.00	0.00	6.25	0.00
NBT 2013 Pike County PA	0	0.00	0.00	0.00	73.59	0.00	26.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:																				
NBT 2013 Lackawanna Luzerne PA AA	299	60.53	5.64	3.01	16.05	10.37	55.95	48.49	22.23	38.13	1.81	1.41	1.43	1.78	2.68					
Limited Review:																				
NBT 2013 Northeast PA AA	161	32.59	0.00	0.00	5.42	0.00	67.06	86.34	27.52	13.66	2.33	0.00	0.00	3.71	1.28					
NBT 2013 Pike County PA	34	6.88	0.00	0.00	70.71	44.12	29.29	55.88	0.00	0.00	1.96	0.00	0.64	5.33	0.00					

* Based on 2012 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 (2013).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: PENNSYLVANIA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
NBT 2013 Lackawanna Luzerne PA AA	0	0.00	0.99	0.00	8.82	0.00	57.88	0.00	32.30	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
NBT 2013 Northeast PA AA	1	100.00	0.00	0.00	2.30	100.00	78.79	0.00	18.91	0.00	0.00	0.00	0.00	0.00	0.00	
NBT 2013 Pike County PA	0	0.00	0.00	0.00	75.89	0.00	24.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2012 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 (2013).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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:															
NBT 2013 Lackawanna Luzerne PA AA	116	59.79	20.44	13.76	18.03	22.02	21.57	24.77	39.96	39.45	1.16	1.95	1.18	0.79	1.18
Limited Review:															
NBT 2013 Northeast PA AA	59	30.41	15.93	10.34	15.76	29.31	21.33	32.76	46.98	27.59	0.82	3.03	1.23	0.96	0.49
NBT 2013 Pike County PA	19	9.79	31.10	21.05	25.29	31.58	24.67	21.05	18.95	26.32	0.47	0.68	0.82	0.57	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 4.1% of loans originated and purchased by bank.

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								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans***	% Families ⁵	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Lackawanna Luzerne PA AA	212	58.24	20.44	13.94	18.03	15.38	21.57	18.75	39.96	51.92	7.70	7.14	5.14	7.22	9.60
Limited Review:															
NBT 2013 Northeast PA AA	128	35.16	15.93	11.20	15.76	20.80	21.33	28.80	46.98	39.20	10.43	12.24	13.89	11.92	8.31
NBT 2013 Pike County PA	24	6.59	31.10	41.67	25.29	29.17	24.67	16.67	18.95	12.50	8.87	20.83	2.44	9.68	7.14

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 1.9% of loans originated and purchased by bank.

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					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
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:															
NBT 2013 Lackawanna Luzerne PA AA	344	59.41	20.44	6.45	18.03	16.72	21.57	24.63	39.96	52.20	2.72	2.97	3.14	2.15	2.81
Limited Review:															
NBT 2013 Northeast PA AA	178	30.74	15.93	6.78	15.76	22.60	21.33	25.99	46.98	44.63	1.98	1.97	4.14	2.28	1.47
NBT 2013 Pike County PA	57	9.84	31.10	28.07	25.29	31.58	24.67	19.30	18.95	21.05	2.59	4.89	2.68	2.09	2.05

^{*} Based on 2012 Peer Mortgage Data (USPR)

^{**} 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 Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 0.7% of loans originated and purchased by bank.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: PENNSYLVANIA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
NBT 2013 Lackawanna Luzerne PA AA	299	60.53	70.18	64.21	67.22	21.07	11.71	1.81	2.66
Limited Review:									
NBT 2013 Northeast PA AA	161	32.59	72.28	71.43	79.50	14.29	6.21	2.33	4.41
NBT 2013 Pike County PA	34	6.88	74.24	70.59	85.29	8.82	5.88	1.96	2.31

* Based on 2012 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 - 2013).

**** 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 11.13% 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: PENNSYLVANIA			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:									
NBT 2013 Lackawanna Luzerne PA AA	0	0.00	97.24	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
NBT 2013 Northeast PA AA	1	100.00	98.67	100.00	100.00	0.00	0.00	0.00	0.00
NBT 2013 Pike County PA	0	0.00	99.11	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 - 2013).

**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: PENNSYLVANIA									
Evaluation Period: March 14, 2011 to March 16, 2014									
Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
NBT 2013 Lackawanna Luzerne PA AA	0	0	3	610	3	610	60.40	0	0
Limited Review:									
NBT 2013 Northeast PA AA	0	0	2	255	2	255	25.25	0	0
NBT 2013 Pike County PA	0	0	0	0	0	0	0.00	0	0
Pennsylvania Regional	0	0	1	145	1	145	14.36	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 Evaluation Period: March,14, 2011 TO March 16, 2014																	
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:																	
NBT 2013 Lackawanna Luzerne PA AA	52.53	18	56.25	11.11	0.00	55.56	33.33	0	1	0	0	0	-1	2.28	19.33	56.18	22.21
Limited Review:																	
NBT 2013 Northeast PA AA	41.53	12	37.50	0.00	0.00	91.67	8.33	0	3	0	0	-2	-1	0.00	2.40	65.25	32.34
NBT 2013 Pike County PA	5.94	2	6.25	0.00	50.00	50.00	0.00	0	1	0	0	-1	0	0.00	80.65	19.35	0.00

Tables of Performance Data

State of Vermont

Institution ID: NBT Bank - Charter #1354

Table 1. Lending Volume

LENDING VOLUME		Geography: VERMONT				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area (2013):	% 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:												
NBT 2013 Chittenden VT AA	100.00	139	39,639	96	25,059	0	0	4	17,818	239	82,516	100.00

* Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 01, 2012 to March 16, 2014.

*** Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: NBT Bank - Charter #1354

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: VERMONT				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
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:																
NBT 2013 Chittenden VT AA	30	100.00	0.53	0.00	9.95	3.33	53.72	60.00	35.80	36.67	0.54	0.00	0.37	0.59	0.54	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: VERMONT				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
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	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Chittenden VT AA	25	100.00	0.53	0.00	9.95	4.00	53.72	68.00	35.80	28.00	2.69	0.00	2.38	3.72	1.33

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: VERMONT				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
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:																
NBT 2013 Chittenden VT AA	78	100.00	0.53	0.00	9.95	10.26	53.72	50.00	35.80	39.74	0.73	0.00	0.53	0.69	0.84	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: VERMONT					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
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:															
NBT 2013 Chittenden VT AA	6	100.00	4.37	0.00	29.71	50.00	54.00	50.00	11.93	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: VERMONT				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
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:															
NBT 2013 Chittenden VT AA	96	100.00	1.97	0.00	16.60	22.92	48.9	46.88	32.36	30.21	1.03	7.69	1.94	0.80	0.92

* Based on 2012 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 (20).

**** Income is not available for 2.86% of the census tracts

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: VERMONT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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:															
NBT 2013 Chittenden VT AA	0	0.00	1.40	0.00	5.99	0.00	48.10	0.00	44.51	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 (20).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: VERMONT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share ⁷				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁷	% BANK Loans ^{****}	% Families ^{****}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Chittenden VT AA	30	100.00	16.36	6.67	17.62	20.00	22.80	13.33	43.23	60.00	0.63	0.76	0.74	0.00	0.98

^{*} Based on 2012 Peer Mortgage Data (USPR)

^{**} 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 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

⁷ 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: VERMONT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁸	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Chittenden VT AA	25	100.00	16.36	8.00	17.62	16.00	22.80	24.00	43.23	52.00	2.75	4.88	2.94	3.66	1.82

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

⁸ 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: VERMONT				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁹	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
Full Review:																
NBT 2013 Chittenden VT AA	78	100.00	16.36	5.19	17.62	12.99	22.80	23.38	43.23	58.44	0.80	0.97	0.48	0.44	1.09	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 1.3% of loans originated and purchased by bank.

⁹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: VERMONT			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:									
NBT 2013 Chittenden VT AA	96	100.00	70.22	55.21	39.58	25.00	35.42	1.03	1.53

* Based on 2012 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 - 20).

**** 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 16.67% 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: VERMONT			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:									
NBT 2013 Chittenden VT AA	0	0.00	97.58	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 - 20).

**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: VERMONT									
Evaluation Period: March 14, 2011 to March 16, 2014									
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
NBT 2013 Chittenden VT AA	0	0	1	.5	1	.5	.02	0	0
Vermont Statewide	1	1,893	1	664	2	2,557	99.98	1	1,306

* '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: VERMONT Evaluation Period: March,14, 2011 to March 16, 2014									
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:																	
NBT 2013 Chittenden VT AA	100.00	3	100.00	0.00	33.33	33.33	33.33	1	0	0	0	+1	0	2.01	14.56	51.65	31.78

Tables of Performance Data

State of Massachusetts

Institution ID: NBT Bank - Charter #1354

Table 1. Lending Volume

LENDING VOLUME		Geography: MASSACHUSETTS						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area (2013):	% 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:												
NBT 2013 Berkshire County MA AA	100.00	84	20,172	35	6,311	0	0	0	0	119	26,483	100.00

^{*} Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

^{**} The evaluation period for Community Development Loans is from January 01, 2012 to March 16, 2014.

^{***} Deposit Data as of June 30, 2013. 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: MASSACHUSETTS						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase 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	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Berkshire County MA AA	11	100.00	0.63	0.00	6.91	0.00	69.52	72.73	22.94	27.27	0.15	0.00	0.00	0.11	0.37

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: MASSACHUSETTS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
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	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Berkshire County MA AA	26	100.00	0.63	0.00	6.91	7.69	69.52	65.38	22.94	26.92	2.36	0.00	0.00	2.43	2.97

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: MASSACHUSETTS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
NBT 2013 Berkshire County MA AA	44	100.00	0.63	0.00	6.91	2.27	69.52	79.55	22.94	18.18	0.89	0.00	0.77	0.95	0.77	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: MASSACHUSETTS						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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:															
NBT 2013 Berkshire County MA AA	3	100.00	18.58	0.00	14.84	33.33	50.87	33.33	15.70	33.33	0.00	0.00	0.00	0.00	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: MASSACHUSETTS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:																				
NBT 2013 Berkshire County MA AA	35	100.00	7.48	0.00	7.83	14.29	62.79	68.57	21.90	17.14	0.42	0.00	0.85	0.54	0.18					

* Based on 2012 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 (2013).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: MASSACHUSETTS						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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:															
NBT 2013 Berkshire County MA AA	0	0.00	0.77	0.00	7.20	0.00	67.61	0.00	24.42	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 (2013).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: MASSACHUSETTS						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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 ¹⁰	% BANK Loans ^{****}	% Families ^{****}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Berkshire County MA AA	11	100.00	21.78	27.27	17.02	0.00	22.60	9.09	38.61	63.64	0.17	1.52	0.00	0.00	0.00

^{*} Based on 2012 Peer Mortgage Data (USPR)

^{**} 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 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

¹⁰ 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: MASSACHUSETTS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share [*]				
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 ¹¹	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
NBT 2013 Berkshire County MA AA	26	100.0 0	21.78	0.00	17.02	41.67	22.60	25.00	38.61	33.33	2.25	0.00	5.26	2.29	1.09	

^{*} Based on 2012 Peer Mortgage Data (USPR)

^{**} 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 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 7.7% of loans originated and purchased by bank.

¹¹ 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: MASSACHUSETTS				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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 ¹²	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp					
Full Review:																				
NBT 2013 Berkshire County MA AA	44	100.0 0	21.78	7.32	17.02	19.51	22.60	39.02	38.61	34.15	0.95	1.36	0.89	1.77	0.57					

* Based on 2012 Peer Mortgage Data (USPR)

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 6.8% of loans originated and purchased by bank.

¹² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: MASSACHUSETTS			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013	
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:									
NBT 2013 Berkshire County MA AA	35	100.00	71.66	40.00	65.71	14.29	20.00	0.42	0.39

* Based on 2012 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 - 2013).

**** 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 0.00% 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: MASSACHUSETTS			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:									
NBT 2013 Berkshire County MA AA	0	0.00	97.43	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 - 2013).

**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: MASSACHUSETTS				Evaluation Period: March 14, 2011 to March 16, 2014			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
NBT 2013 Berkshire County MA AA	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: MASSACHUSETTS Evaluation Period: March,14, 2011 to March 16, 2014																	
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:																	
NBT 2013 Berkshire County MA AA	100.00	6	100.00	16.67	0.00	66.67	16.67	2	0	1	0	0	1	2.58	10.63	66.83	19.95

Tables of Performance Data

State of New Hampshire

Institution ID: NBT Bank - Charter #1354

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW HAMPSHIRE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area (2013):	% 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:												
NBT 2013 Manchester Nashua Region AA	62.69	49	11,939	154	30,282	0	0	1	1,613	205	43,834	64.93
Limited Review:												
NBT 2013 Cheshire County NH AA	21.41	32	4,985	38	9,497	0	0	0	0	70	14,482	19.18
NBT 2013 Rockingham County NH AA	15.90	14	4,015	37	10,372	0	0	1	848	52	15,235	15.89

^{*} Loan Data as of December 31, 2013. Rated area refers to either state or multi-state MA rating area.

^{**} The evaluation period for Community Development Loans is from January 01, 2012 to March 16, 2014.

^{***} Deposit Data as of June 23, 2013. 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 HAMPSHIRE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase 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	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Manchester Nashua Region AA	18	42.86	1.81	5.56	14.24	22.22	55.69	38.89	28.26	33.33	0.20	0.66	0.24	0.13	0.27
Limited Review:															
NBT 2013 Cheshire County NH AA	16	38.10	0.00	0.00	11.15	0.00	74.86	93.75	13.99	6.25	0.62	0.00	0.00	0.65	0.78
NBT 2013 Rockingham County NH AA	8	19.05	0.55	0.00	11.02	12.50	64.48	62.50	23.95	25.00	0.08	0.00	0.22	0.06	0.07

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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: NEW HAMPSHIRE				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
Assessment Area:	Total Home Improvement 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:																
NBT 2013 Manchester Nashua Region AA	5	62.50	1.81	0.00	14.24	0.00	55.69	80.00	28.26	20.00	0.58	0.00	0.00	0.69	0.63	
Limited Review:																
NBT 2013 Cheshire County NH AA	3	37.50	0.00	0.00	11.15	0.00	74.86	66.67	13.99	33.33	2.08	0.00	0.00	1.47	5.00	
NBT 2013 Rockingham County NH AA	0	0.00	0.55	0.00	11.02	0.00	64.48	0.00	23.95	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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 HAMPSHIRE				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography				
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:																
NBT 2013 Manchester Nashua Region AA	25	58.14	1.81	8.00	14.24	20.00	55.69	36.00	28.26	36.00	0.10	0.58	0.30	0.09	0.05	
Limited Review:																
NBT 2013 Cheshire County NH AA	13	30.23	0.00	0.00	11.15	7.69	74.86	84.62	13.99	7.69	0.36	0.00	0.00	0.47	0.00	
NBT 2013 Rockingham County NH AA	5	11.63	0.55	0.00	11.02	0.00	64.48	60.00	23.95	40.00	0.01	0.00	0.00	0.01	0.03	

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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 HAMPSHIRE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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:															
NBT 2013 Manchester Nashua Region AA	1	50.00	17.00	0.00	29.86	0.00	46.05	100.00	7.09	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
NBT 2013 Cheshire County NH AA	0	0.00	0.00	0.00	8.10	0.00	80.97	0.00	10.93	0.00	0.00	0.00	0.00	0.00	0.00
NBT 2013 Rockingham County NH AA	1	50.00	3.77	0.00	23.90	0.00	62.29	100.00	10.04	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 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 HAMPSHIRE				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:																				
NBT 2013 Manchester Nashua Region AA	153	67.40	11.39	18.95	14.29	9.80	49.34	37.25	24.66	33.99	1.33	2.61	0.75	1.03	1.80					
Limited Review:																				
NBT 2013 Cheshire County NH AA	38	16.74	0.00	0.00	7.43	0.00	79.34	84.21	13.23	15.79	1.60	0.00	0.00	1.97	1.06					
NBT 2013 Rockingham County NH AA	36	15.86	0.97	0.00	10.14	22.22	67.59	38.89	20.90	38.89	0.23	0.00	0.45	0.12	0.55					

* Based on 2012 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 (2013).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: NEW HAMPSHIRE				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms**	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans	% of Farms***	% BANK Loans						
Full Review:																
NBT 2013 Manchester Nashua Region AA	0	0.00	2.94	0.00	9.59	0.00	57.08	0.00	30.28	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
NBT 2013 Cheshire County NH AA	0	0.00	0.00	0.00	10.61	0.00	76.89	0.00	12.50	0.00	0.00	0.00	0.00	0.00	0.00	
NBT 2013 Rockingham County NH AA	0	0.00	0.85	0.00	8.75	0.00	64.14	0.00	26.25	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2012 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 (2013).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEW HAMPSHIRE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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 ¹³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Manchester Nashua Region AA	18	42.86	18.88	0.00	18.83	31.25	23.63	18.75	38.65	50.00	0.20	0.00	0.31	0.07	0.31
Limited Review:															
NBT 2013 Cheshire County NH AA	16	38.10	17.40	12.50	19.10	6.25	24.40	37.50	39.10	43.75	0.69	1.67	0.00	0.48	1.25
NBT 2013 Rockingham County NH AA	8	19.05	16.08	0.00	17.72	0.00	24.19	50.00	42.01	50.00	0.04	0.00	0.00	0.07	0.06

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 9.5% of loans originated and purchased by bank.

¹³ 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 HAMPSHIRE						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families**	% BANK Loans***	% Families ¹⁴	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Manchester Nashua Region AA	5	62.50	18.88	0.00	18.83	20.00	23.63	20.00	38.65	60.00	0.60	0.00	0.00	0.00	1.61
Limited Review:															
NBT 2013 Cheshire County NH AA	3	37.50	17.40	33.33	19.10	33.33	24.40	0.00	39.10	33.33	2.20	7.14	3.70	0.00	0.00
NBT 2013 Rockingham County NH AA	0	0.00	16.08	0.00	17.72	0.00	24.19	0.00	42.01	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

¹⁴ 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 HAMPSHIRE					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
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 ¹⁵	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
NBT 2013 Manchester Nashua Region AA	25	58.14	18.88	4.55	18.83	22.73	23.63	27.27	38.65	45.45	0.10	0.00	0.13	0.09	0.10
Limited Review:															
NBT 2013 Cheshire County NH AA	13	30.23	17.40	0.00	19.10	18.18	24.40	18.18	39.10	63.64	0.42	0.00	0.00	0.57	0.54
NBT 2013 Rockingham County NH AA	5	11.63	16.08	20.00	17.72	0.00	24.19	20.00	42.01	60.00	0.02	0.14	0.00	0.03	0.00

* Based on 2012 Peer Mortgage Data (USPR)

** 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 Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 11.6% of loans originated and purchased by bank.

¹⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: NEW HAMPSHIRE			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
NBT 2013 Manchester Nashua Region AA	154	67.25	73.99	18.83	42.21	36.36	21.43	1.33	0.28
Limited Review:									
NBT 2013 Cheshire County NH AA	38	16.59	73.59	21.05	26.32	42.11	31.58	1.60	0.45
NBT 2013 Rockingham County NH AA	37	16.16	74.48	16.22	43.24	16.22	40.54	0.23	0.14

* Based on 2012 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 - 2013).

**** 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 63.32% 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 HAMPSHIRE			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
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:									
NBT 2013 Manchester Nashua Region AA	0	0.00	96.84	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:									
NBT 2013 Cheshire County NH AA	0	0.00	98.48	0.00	0.00	0.00	0.00	0.00	0.00
NBT 2013 Rockingham County NH AA	0	0.00	97.55	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2012 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 - 2013).

**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NEW HAMPSHIRE				Evaluation Period: March 14, 2011 to March 16, 2014			
Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
NBT 2013 Manchester Nashua Region AA	0	0	2	2.5	2	2.5	71.43	0	0
Limited Review:									
NBT 2013 Cheshire County NH AA	0	0	0	0	0	0	0.00	0	0
NBT 2013 Rockingham County NH AA	0	0	1	1	1	1	28.57	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: NEW HAMPSHIRE				Evaluation Period: March,14, 2011 to March 16, 2014			
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:																							
NBT 2013 Manchester Nashua Region AA	64.92	2	40.00	100.00	0.00	0.00	0.00	0	0	0	0	0	0	6.59	18.76	51.11	23.55						
Limited Review:																							
NBT 2013 Cheshire County NH AA	19.18	1	20.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	10.88	76.88	12.24						
NBT 2013 Rockingham County NH AA	15.89	2	40.00	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.58	12.10	64.51	22.81						

