



## **PUBLIC DISCLOSURE**

September 5, 2017

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

NBT Bank, N.A.  
Charter Number 1354

52 South Broad Street  
Norwich, NY 13815

Office of the Comptroller of the Currency  
Syracuse Field Office  
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.

**Table of Contents**

**OVERALL CRA RATING ..... 1**

**DEFINITIONS AND COMMON ABBREVIATIONS ..... 2**

**DESCRIPTION OF INSTITUTION ..... 6**

**SCOPE OF THE EVALUATION..... 7**

**DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW ..... 8**

**STATE RATING ..... 9**

    STATE OF NEW YORK .....9

**STATE RATING ..... 22**

    STATE OF PENNSYLVANIA .....22

**STATE RATING ..... 31**

    STATE OF VERMONT .....31

**STATE RATING ..... 39**

    STATE OF NEW HAMPSHIRE.....39

**STATE RATING ..... 47**

    STATE OF MASSACHUSETTS.....47

**STATE RATING ..... 55**

    STATE OF MAINE .....55

**APPENDIX A: SCOPE OF EXAMINATION..... A-1**

**APPENDIX B: SUMMARY OF STATE RATINGS..... B-1**

**APPENDIX C: COMMUNITY PROFILES FOR FULL-SCOPE AREAS..... C-1**

**APPENDIX D: TABLES OF PERFORMANCE DATA ..... D-1**

## Overall CRA Rating

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

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

Performance Levels	NBT Bank, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

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

The major factors that support this rating include:

- Lending levels that reflect a good responsiveness by NBT to the credit needs of its assessment areas (AAs).
- Good distribution of loans among borrowers of different income levels throughout the AAs.
- Poor geographic distribution of loans among census tracts of different income levels throughout the AAs
- An excellent ratio of loans originated inside the AAs.
- Community development (CD) 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 an excellent responsiveness to the credit and CD needs of the AAs.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing 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 MA/assessment area.

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

**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 conduct 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 applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn, 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 five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) 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 (MD):** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties 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, New Hampshire and Maine. The bank opened its first and only branch office in Maine on January 5, 2015. NBT is a wholly owned subsidiary of NBT Bancorp, Inc. (NBTB), which had total assets of \$8.9 billion as of December 31, 2016. 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 154 branches as of December 31, 2016. The bank's assessment areas (AAs) cover 26 counties in New York State, seven counties in Pennsylvania, four counties in Vermont, four counties in New Hampshire, one county in Massachusetts, and three counties in Maine.

NBT offers a wide range of financial services. In addition to traditional deposit and loan products, NBT also offers trust services. The bank had \$9.0 billion in total assets as of June 30, 2017. The assets included \$6.3 billion in net loans, representing 70 percent of total assets. The bank's loan mix consisted of 58 percent real estate loans, 27 percent loans to individuals, 14 percent commercial and industrial loans, and one percent agricultural loans. As of June 30, 2017, NBT reported Tier 1 Capital of \$740 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 17, 2014, 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, 2014, through December 31, 2016, 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 17, 2014, through September 4, 2017. 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 2015. 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 five states. We gave limited consideration to the bank's multifamily dwelling loans, due to the limited activity for this product.

The peer comparisons in this report include only lenders who were required to file HMDA and Small Business/Farm Registers for 2015. Any lender with significant mortgage loan activity operating in NBT's 19 AAs would be required to file a HMDA report for 2015. Small business reporting for 2015 was required only of bank and thrift institutions with assets of \$1.221 billion or more, as of December 31<sup>st</sup> 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 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 and multistate metropolitan area where the bank has an office, a sample of assessment areas (AAs) within that state/multistate metropolitan area was selected for full-scope reviews. Refer to the "Scope" section under each State Rating section for details regarding how the areas were selected.

### Ratings

The bank's overall rating is a blend of its state ratings for New York, Pennsylvania, Vermont, Massachusetts, New Hampshire and Maine. 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, Massachusetts and Maine. NBT operated in Maine for only a portion of the evaluation period, acquiring its only office in the state on January 5, 2015. 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.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution [or any affiliate whose loans have been considered as part of the institution's lending performance] has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## **State Rating**

### **State of New York**

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

**The lending test is rated: High Satisfactory**

**The investment test is rated: Outstanding**

**The service test is rated: High 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.
- Poor 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 excellent responsiveness to the credit and CD needs of the AAs.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing CD services.

### **Description of Institution's Operations in New York State**

NBT has eight AAs in New York, i.e., the Syracuse, Albany, Binghamton, Glens Falls and Utica MSAs and non MSA areas in the Southern Tier Region, Northern Region and Fulton-Montgomery Region. The Southern Tier Region Non MSA AA is comprised of Chenango, Otsego, Delaware, Greene and Cortland counties. The Fulton-Montgomery Region Non MSA AA is comprised of Fulton, Montgomery and Hamilton counties. The Northern Region Non MSA AA is comprised of St. Lawrence, Franklin, Clinton and Essex counties. NBT has 108 branches within the state, representing 70 percent of the bank's total branch network. Eighty-two percent of NBT's total deposits were from New York State as of June 30, 2016. The bank ranked twenty eighth for deposit market share in the state, with .36 percent share of the state's total deposits. During the evaluation period, NBT originated 81 percent of its total HMDA and small business/small farm loans within New York State.

Refer to the community 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**

We conducted full-scope reviews of the Southern Tier Region Non MSA and Syracuse MSA AAs. The two areas combined represent 46 percent of the total lending activity for the evaluation period, 46 percent of the total number of branches, and 47 percent of the total deposits in the state as of June 30, 2016. The Southern Tier AA was weighted more heavily as 23 percent of the loans made in the state during the evaluation period were made in the AA along with having 33 percent of the statewide deposits and 29 percent of the statewide branches. While the Syracuse MSA AA had an equal volume of lending activity, it had only 14 percent of the deposits and 18 percent of the branches in the state.

In the Southern Tier Region AA, home mortgage loans were given somewhat more weight than small business loans, as they accounted for 53 percent the number of loans evaluated, followed by small business loans at 36 percent and small farm loans at 11 percent. In the Syracuse MSA AA, home mortgage and small business loans were given equal weight having 44 and 48 percent of the loans evaluated in the AA, respectively. Small farm loans represented only seven percent of the AA loans during the evaluation period. Based on number of loans, home purchase loans were given the greatest weight among the HMDA loan products in both AAs, with 47 percent of HMDA lending activity in the Southern Tier Region AA and 58 percent in the Syracuse MSA AA, followed by home improvement loans (37 percent Southern Tier Region AA and 22 percent Syracuse MSA AA), refinance loans (15 percent Southern Tier Region AA and 19 percent Syracuse MSA AA) and multi-family dwelling loans (one percent Southern Tier Region AA and two percent Syracuse MSA AA).

We made two community contacts during this evaluation, one in the Southern Tier AA, and one in the Syracuse MSA AA. Both organizations are involved with affordable housing for people of low- and moderate-income. The contacts confirmed the significant need for affordable housing and flexible mortgage programs in their respective AAs. Some of the other concerns/needs mentioned included lack of good paying jobs and the resulting low-incomes of residents, and issues with overcoming lower income borrower credit histories. The Syracuse contact mentioned the need to rehab the more than 2,000 vacant homes in the City of Syracuse. Lenders have been hesitant to lend to low- and moderate-income borrowers who wish to purchase and personally rehab these properties. The need for affordable housing 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 Community Profile section in Appendix C for more information.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK STATE**

### **LENDING TEST**

#### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the lending test in New York State is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Southern Tier AA was good and in the Syracuse MSA AA was adequate.

#### **Lending Activity**

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 lending activity.

NBT's overall lending activity in the two full-scope AAs was good. NBT's lending activity was good in the Southern Tier Region AA. NBT ranked first for deposits with a 37.85 percent market share. Based on 2015 aggregate HMDA data (number of loans), NBT ranked second as originator/purchaser of home improvement loans with a 23.02 percent market share, and refinance loans with a 6.50 percent market share. The bank ranked third as originator/purchaser of home purchase loans with a 7.83 percent market share and multi-family dwelling loans with a 14.29 percent market share. Based on 2015 CRA aggregate data (number of loans), NBT ranked fifth as originator/purchaser of small loans to businesses with a 7.69 percent market share and when considering only small business loans to small sized businesses with a 9.77 percent market share. The bank was the number one originator/purchaser of small loans to farms with a 37.89 percent market share and also ranked first when only considering loans made to small size farms with a 47.62 percent market share. In small business lending, NBT was outranked only by large national credit card lenders for the number of loans made. The credit card lenders made average loans of only \$2,495 compared to NBT's average loan of \$25,097, which gave NBT the number one ranking for dollar market share of small business loans.

NBT's lending activity in the Syracuse MSA AA was adequate. NBT ranked sixth for deposits with a 6.35 percent market share. Based on 2015 aggregate HMDA data (number of loans), the bank ranked seventh for home improvement loans with a 3.25 percent market share, seventeenth as originator/purchaser of refinance loans with a 1.51 percent market share, thirteenth for home purchase loans with a 1.98 percent market share, and eighth for multi-family dwelling loans with a 5.08 percent market share. Based on 2015 CRA aggregate data (number of loans), NBT ranked tenth as originator/purchaser of small loans to businesses with a 3.89 percent market share) and tenth when considering only loans made to small size businesses with a 3.53 percent market share. NBT was the largest originator/purchaser of small loans to farms with a 30.17 percent market share and also ranked first when considering only loans made to small size farms with a 45.35 percent 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 poor penetration throughout the full-scope AA census tracts. Performance was poor in both the Southern Tier Region and Syracuse MSA AAs. The geographic distribution analysis in the Southern Tier AA is limited to moderate-income census tracts, as the AA has no low-income census tracts. In the Syracuse MSA AA, the presence of owner-occupied housing is significantly higher in moderate-income census tracts at 13.57 percent compared to 3.25 percent in low-income census tracts.

### ***Home Mortgage Loans***

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

The overall geographic distribution of home mortgage loans was poor. The geographic distribution was poor in both the Southern Tier Region and Syracuse MSA AAs.

The overall geographic distribution of home purchase loans was poor. The geographic distribution was poor in both the Southern Tier and Syracuse MSA AAs. The portion of home purchase loans made in moderate-income census tracts in both AAs was significantly below 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 Syracuse MSA AA was significantly below the portion of owner-occupied housing units in those census tracts. The market share of loans originated in moderate-income census tracts in both AAs was significantly below the bank's overall market share of home purchase loans. The market share of loans originated in low-income census tracts in the Syracuse MSA AA was significantly below the overall market share of home purchase loans.

The overall geographic distribution of home improvement loans was poor. The geographic distribution was poor in the Southern Tier Region AA and adequate in the Syracuse MSA AA. The portion of home improvement loans made in moderate-income census tracts in the Southern Tier Region AA was significantly below, and in the Syracuse MSA AA exceeded, the portion of owner-occupied housing units that are in those census tracts. The portion of home improvement loans made in low-income census tracts in the Syracuse MSA AA was significantly below the portion of owner-occupied housing units in those census tracts. The market share of loans originated in moderate-income census tracts in both AAs was significantly below the bank's overall market share of home improvement loans. The market share of loans originated in low-income census tracts in the Syracuse MSA AA was significantly below the overall market share of home improvement loans.

The overall geographic distribution of refinance loans was poor. The geographic distribution was poor in both the Southern Tier Region and Syracuse MSA AAs. The portion of refinance loans made in moderate-income census tracts in both AAs was significantly below the portion of owner-occupied housing units that are in those census tracts. The portion of refinance loans made in low-income census tracts in the Syracuse MSA AA was significantly below the portion of owner-occupied housing units in those census tracts. The market share of loans

originated in moderate-income census tracts in both AAs was significantly below the bank's overall market share of refinance loans. The market share of loans originated in low-income census tracts in the Syracuse MSA AA was below the overall market share of refinance loans.

The overall geographic distribution of multi-family dwelling loans was good. The geographic distribution was poor in the Southern Tier AA and excellent in the Syracuse MSA AA. The portion of multi-family dwelling loans made in low income census tracts in the Syracuse MSA AA was near to and in moderate-income census tracts exceeded the portion of multi-family housing units that are in those census tracts. No multi-family dwelling loans were made in moderate-income census tracts in the Southern Tier AA, where 13 loans were made during the evaluation period. The market share of loans originated in moderate-income census tracts in the Syracuse MSA AA exceeded, and in low income census tracts was significantly below the bank's overall market share of multi-family dwelling 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. The geographic distribution of small business loans was poor in the Southern Tier Region AA and adequate in the Syracuse MSA AA. The portion of small loans to businesses made in moderate-income census tracts was significantly below in the Southern Tier Region AA and below in the Syracuse MSA AA, 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 Syracuse MSA AA was significantly below the portion of businesses that are in those census tracts. The market share of loans originated in moderate-income census tracts was below the bank's overall market share in both AAs. The Syracuse MSA AA market share of loans originated in low-income census tracts was below the bank's overall market share.

### ***Small Loans to Farms***

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

The overall geographic distribution of small loans to farms was poor. The geographic distribution was poor in both AAs. The portion of small loans to farms made in moderate-income census tracts in both AAs was significantly below than the portion of farms that are in those census tracts. In the Syracuse MSA AA, the portion of small loans to farms made in low-income census tracts was significantly below the portion of farms that are in those census tracts. The market share of loans originated in moderate-income census tracts in both AAs exceeded the bank's overall market share. The market share of loans originated in low-income census tracts in the Syracuse MSA AA was significantly below the bank's overall market share.

### ***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 of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 94 percent of the bank's home mortgage loans, 93 percent of the small loans to businesses, and 87 percent of the small loans to farms were within 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 a good dispersion among borrowers of different income levels. The dispersion among borrowers in the Southern Tier Region AA was good and was adequate in the Syracuse MSA 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 percent and is 13.13 percent in the Syracuse MSA 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 both the full-scope AAs was good.

Home purchase loan borrower distribution was good. Performance was good in the Southern Tier Region AA and adequate in the Syracuse MSA AA. The portion of home purchase loans made to moderate-income borrowers exceeded in the Southern Tier Region AA and was near to in the Syracuse MSA AA the portion of moderate-income families in each AA. The portion of home purchase loans to low-income borrowers in the Southern Tier Region AA was below and in the Syracuse MSA AA significantly below the portion of low-income families in each respective AA. The bank's market share of loans made to low- and moderate-income borrowers exceeded in the Southern Tier AA and was significantly below in the Syracuse MSA AA, its overall market share for home purchase loans made to low- and moderate-income borrowers in each AA.

Home improvement loan borrower distribution was excellent. Performance was excellent in both AAs. The portion of home improvement loans made to moderate-income borrowers

exceeded the portion of moderate-income families in each AA. The portion of home improvement loans made to low-income borrowers was near to the portion of low-income families in each AA. NBT's market share of home improvement loans made to moderate-income borrowers exceeded its overall market share of home improvement loans in both AAs. The bank's market share of home improvement loans made to low-income borrowers exceeded in the Southern Tier Region AA and was near to in the Syracuse MSA AA, its overall market share of home improvement loans.

Refinance loan borrower distribution was good. Performance was good in both AAs. The portion of refinance loans made to moderate-income borrowers exceeded the portion of moderate-income families in both AAs. The portion of refinance loans made to low-income borrowers was below the portion of low-income families in both AAs. NBT's market share of refinance loans made to moderate-income borrowers in the Southern Tier AA exceeded, and in the Syracuse MSA AA was below its overall market share of refinance loans. The bank's market share of refinance loans made to low-income borrowers in the Southern Tier AA was significantly below and in the Syracuse MSA AA exceeded its overall market share of 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 adequate. The borrower distribution was adequate in both full-scope AAs. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) was below the portion of these businesses in both AAs. The bank's market share of small loans to businesses exceeded in the Southern Tier AA and substantially met in the Syracuse MSA AA, its overall market share of small loans to businesses.

### ***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 Million or less) was near to the portion of these farms in both AAs. The bank's market share of small loans to small farms exceeded its overall market share for small loans to farms in both AAs.

### **Community Development Lending**

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

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

NBT originated four CD loans for \$17.6 million in its Southern Tier Region AA. One loan for \$7.8 million was for a 30 unit affordable housing project. Three loans totaling \$9.8 million supported economic development, providing funding for small businesses that are creating and/or retaining a significant number of jobs in the AA.

NBT originated 12 CD loans for \$64.7 million in its Syracuse MSA AA. The loans supported a variety of important needs in the AA. Of the loans, five loans for \$32.3 million supported the creation or improvement of affordable housing, one loan for \$17.1 million supported economic development by financing a small business that is creating 70 new jobs in the AA, three loans for \$3.6 million supported community services targeted to people of low- and moderate-income, and three loans for \$11.6 million supported the revitalization stabilization of low- and moderate and/or distressed and underserved middle-income census tracts.

### **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 affordable housing mortgage products 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 loans feature interest rates 1/4 percent less than prevailing conventional mortgage rates, and lower down payments (up to 98 percent financing) without requiring private mortgage insurance. There were 27 loans for \$1.9 million made in the Southern Tier AA and seven loans for \$682,000 made in the Syracuse MSA AA during the evaluation period.

NBT participates in several 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 percent financing. NBT originated one loan for \$89,919 in the Southern Tier AA and three loans for \$255,215 in the Syracuse MSA 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
- \* No down payment

- \* No maximum purchase price or mortgage limit

NBT made 29 loans for \$2.6 million under the USDA program in the Southern Tier AA and 18 loans for \$2 million in the Syracuse MSA 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 percent for one-family owner-occupied residences. Other features include flexible underwriting and up to 6 percent seller contributions to cover closing costs. NBT made 21 FHA loans for \$2.1 million in the Southern Tier AA and 21 loans for \$2.5 million in the Syracuse 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 Albany MSA, Fulton-Montgomery Non MSA, Glens Falls MSA, Northern Region Non MSA and the Utica-Rome MSA limited-scope AAs of New York State, was not inconsistent with its High Satisfactory performance in the full-scope AAs. Performance in the Binghamton MSA AA was stronger than the full scope AAs, primarily due to an excellent geographic distribution of loans to low- and moderate-income census tracts. The stronger performance in the Binghamton MSA AA did not change the bank's overall rating under the Lending Test. 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 Outstanding. Based on the full-scope reviews, the bank's performance was excellent in both the Southern Tier AA and the Syracuse MSA 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 \$38.8 million in the two full-scope AAs. The investments were very responsive to community needs for community services and affordable housing for people of low- and moderate-income, and revitalizing and stabilizing low- and moderate-income census tracts.

In the Southern Tier AA, the level of investment activity was excellent. The investments made a significantly positive impact on the AA. The investment activity for the AA consisted of \$24.7 million in current period investments that supported community services targeted to people of low- and moderate-income and the revitalization and stabilization of moderate-income census tracts in the AA. In addition, NBT made \$194,100 in grants to organizations in the AA that were used for a variety of CD purposes.

The level of investment in the Syracuse MSA AA was excellent. The investment activity for the AA consisted of \$13.76 million in current period investments that supported affordable housing and community services for people of low- and moderate-income, and the revitalization and stabilization of low- and moderate-income census tracts in the AA. In addition, NBT made \$205,450 in grants to organizations in the AA that were used for a variety of CD purposes.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance in the Northern Region Non MSA, Fulton-Montgomery Non MSA, Binghamton MSA, Albany MSA, and the Glens Falls MSA limited-scope AAs is not inconsistent with its overall Outstanding rating under the Investment Test in New York. NBT's performance in the Utica-Rome MSA was somewhat weaker than its performance in the full scope AAs, having a good level of investment activity in the AA. The bank's weaker performance in the Utica-Rome MSA AA did not change the Investment Test rating.

Please refer to Table 14 in the State of New York section of Appendix D for the facts and data that support these conclusions.

## **SERVICE TEST**

### **Conclusions for Areas Receiving Full-Scope Reviews**

The bank's performance under the Service Test in New York State is rated High Satisfactory. Based on full-scope reviews, the bank's performance in the Southern Tier AA was adequate and the Syracuse MSA AA was excellent.

### **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 accessible to census tracts and individuals of different income levels throughout the full-scope AAs. Accessibility is adequate in the Southern Tier and excellent in the Syracuse MSA AA.

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 readily accessible to census tracts and individuals of different income levels in the Syracuse MSA AA. The portion of branches in the AA located in low-income census tracts exceeded the portion of low-income census tracts located in the AA. The portion of offices located in moderate-income census tracts was near to the portion of low-income census tracts located in the AA.

NBT's branch openings and closings did not adversely affect its branch distribution in the full-scope AAs. The bank closed two offices in the Southern Tier AA, one in a middle-income census tract, and the other in an upper-income census tract. The bank closed one office in the Syracuse MSA AA located in a middle-income census tract.

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 Syracuse MSA 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. 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.

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. The customer can also use mobile banking with mobile deposit and online banking bill pay. Assist Checking is designed for people with developmental disabilities, and also has no monthly maintenance fee, no minimum balance required and includes financial literacy components.

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. The bank also has ATMs at 31 non NBT locations in the state, with many of these ATMs located at hospitals, college campuses and shopping malls. 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 Syracuse MSA AA was adequate.

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 Region AA, NBT employees provided a good level of support to various CD organizations. NBT employees participated in over 20 community organizations that are involved in CD activities, devoting over 1,400 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 Syracuse MSA AA, NBT employees provided an adequate level of support to various CD service organizations. NBT employees participated in nine organizations that are involved in CD activities, devoting nearly 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 Albany MSA, and Fulton-Montgomery Non MSA limited scope AAs in New York State was not inconsistent with the overall High Satisfactory rating in the state. Performance in the Binghamton MSA was stronger than the overall state performance due to an excellent distribution of branches in both low- and moderate-income census tracts. Performance in the Glens Falls MSA AA was weaker than overall state due to neither of its two branches being located in low-or moderate-income census tracts. Performance in the Utica-Rome MSA AA was also weaker with branches that were only reasonably accessible to low- and moderate-income census tracts. The stronger performance in the Binghamton MSA and the weaker performance in the Glens Falls MSA and Utica-Rome MSA limited scope AAs did not change the bank's overall rating under the Service Test. Refer to Table 15 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 Pennsylvania: Satisfactory**

**The lending test is rated: Low Satisfactory**

**The investment test is rated: High Satisfactory**

**The service test is rated: High Satisfactory**

The major factors that support this rating include:

- Lending levels that reflect good responsiveness by NBT to the credit needs of its AAs.
- Good distribution of loans among borrowers of different income levels throughout the AAs.
- Poor distribution of loans among census tracts of different income levels throughout the AAs.
- An adequate level of community development loans.
- 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.
- Excellent performance in providing CD services.

### Description of Institution's Operations in Pennsylvania

NBT has four AAs within Pennsylvania. They include the Scranton Wilkes-Barre MSA AA, the Northeast PA Non MSA AA, the East Stroudsburg PA MSA AA, and the Pike County PA AA, which is part of the Newark NJ-PA MD (NBT only has offices in Pike County Pennsylvania). NBT has 31 branches within the state, representing 20 percent of the bank's total branch network. Approximately 15 percent of NBT's total deposits are from Pennsylvania. The bank's deposit market share ranks fortieth in the state, with .25 percent of the state's total deposits. During the evaluation period, NBT originated approximately 12 percent of its total HMDA and small business/small farm loans within Pennsylvania.

Refer to the community profiles for the State of Pennsylvania in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## Scope of Evaluation in Pennsylvania

We conducted a full-scope review of the Scranton Wilkes-Barre PA MSA AA (Scranton WB MSA AA). The area has 55 percent of the total number of branches, 53 percent of the total deposits, and 56 percent of the loan originations in the state.

Home mortgage loans were given the greatest weight, as they accounted for 65 percent of the number of loans in Pennsylvania, followed by small business loans with 35 percent. We did not consider small farm loans, as only two were made in the full scope AA, and eight in the entire state during the evaluation period.

Of the home mortgage lending products, we gave the greatest weight to home purchase loans, which represented 43 percent of home mortgage loans, followed by refinances at 31 percent and 25 percent for home improvement loans. We did not consider multi-family dwelling loans, as only two of these loans were made in the full scope AA during the evaluation period.

We conducted one community contact in the full-scope AA during this evaluation. The non-profit organization contacted is involved in small business and community development in nine counties in Northeastern Pennsylvania, including the seven counties that comprise NBT's four AAs. The contact noted several things that are needed to support small business and low- and moderate-income residents. The community needs mentioned were affordable rental housing, funding for home repairs and maintenance, work force and skill gap training, expanding job creation and retention, and assisting in the establishment, stabilization and expansion of small businesses. 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 Community 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 Low Satisfactory.

### 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 lending activity was good in the Scranton WB MSA full scope AA. NBT ranked ninth for deposits with a 4.30 percent market share. Based on 2015 aggregate HMDA data (number of loans), the bank ranked ninth for home improvement loans with a 3.16 percent market share, thirteenth as originator/purchaser of refinance loans with a 1.96 percent market share, twenty-sixth for home purchase loans with a 1.15 percent market share. Based on 2015 CRA aggregate data (number of loans), NBT ranked twenty-first as originator/purchaser of small loans to businesses with a .97 percent market share and fourteenth when considering only loans made to small size businesses with a 1.32 percent 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 poor penetration throughout the full-scope AA census tracts. We gave consideration to the fact that owner-occupied housing was significantly higher in moderate-income census tracts at 14.42 percent of owner-occupied housing, compared to .68 percent in low-income census tracts. The presence of small size businesses was also significantly higher in moderate-income census tracts at 14.87 percent of AA businesses, compared to 5.63 percent in low-income census tracts.

### ***Home Mortgage Loans***

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

The overall geographic distribution of home mortgage loans was poor.

The geographic distribution of home purchase loans was adequate. The portion of home purchase loans made in low-income census tracts exceeded, and in moderate-income census tracts was significantly below the portion of owner-occupied housing units that are in those census tracts. The market share of loans originated in low-income census tracts exceeded, and in moderate-income census tracts was significantly below the bank's overall market share of home purchase loans.

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

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

### ***Small Loans to Businesses***

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

The overall geographic distribution of small loans to businesses was adequate. The portion of small loans to businesses made in moderate-income census tracts was below, and in low-income census tract significantly below the portion of businesses that are in those census tracts. The market share of loans originated in moderate-income census tracts exceeded, and

in low-income census tracts substantially met 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 of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 94 percent of the bank's home mortgage loans, 93 percent of the small loans to businesses, and 87 percent of the small loans to farms were within 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. We gave consideration to the high household poverty level in the Scranton WB MSA AA, which was 13.24 percent. 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, and low-income borrowers was below, the portion of families defined as such in the AA. The market share for loans made to both low- and moderate-income borrowers exceeded NBT's overall market share of home purchase loans in the AA.

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

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

### ***Small Loans to Businesses***

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

The borrower distribution of small loans to businesses was good. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) in the Scranton WB MSA 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 community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

NBT had an adequate level of CD lending in the Scranton WB MSA AA. NBT made one CD loan for \$1.1 million in the AA to an organization that provides community services primarily to 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.

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 percent, unlimited funds from gifts, and flexible underwriting guidelines. NBT made 21 loans for \$2.4 million in the Scranton WB MSA AA under PHFA programs during the evaluation period.

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, and lower down payments (up to 98 percent financing) without requiring private mortgage insurance. There were five loans for \$352,000 made in the Scranton WB MSA 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 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
- \* No down payment
- \* No maximum purchase price or mortgage limit

NBT made two loans for \$247,530 under the USDA program in the Scranton WB MSA 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 percent for one-family owner-occupied residences. Other features include flexible underwriting and up to six percent seller contributions to cover closing costs. NBT made five FHA loans for \$558,151 in the Scranton WB MSA AA during the evaluation period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the East Stroudsburg MSA and Northeast Pennsylvania Non MSA limited-scope AAs in Pennsylvania was stronger than in the Low Satisfactory performance in the full-scope AA. The stronger performance was attributable to a good geographic distribution of loans to low- and moderate-income census tracts and an excellent level of CD lending. Performance in the Pike County limited scope AA was not inconsistent with the performance in the full scope AA. The stronger lending performance in the two 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 Scranton MSA AA, NBT's performance under the Investment Test in Pennsylvania is rated High 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.

The level of investment in the Scranton MSA AA was good. The investment activity for the AA consisted of \$2.5 million in current period investments that supported home ownership for people of low- and moderate-income, showing good responsiveness to the credit needs in the AA. In addition, NBT made \$453,385 in grants to organizations in the AA that were used for a variety of CD purposes.

## **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance in the Pike County limited scope AA was not inconsistent with its overall High Satisfactory rating under the Investment Test in Pennsylvania. NBT's performance in the East Stroudsburg MSA limited scope AA was stronger than the full scope AA, with an excellent level of investment activity. The bank's performance in the Northeast PA Non MSA limited scope AA was weaker than the full scope AA, with an adequate level of investment activity. The stronger performance in the East Stroudsburg MSA and the weaker performance in the Northeast PA Non MSA AAs did not change the bank's rating under the Investment Test.

Refer to the 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 High Satisfactory.

#### **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 Scranton MSA AA, the distribution of NBT's offices in low-income census tracts significantly exceeded the distribution of the population living in such census tracts. NBT has no offices in moderate-income census tracts where 18.36 percent 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 did not open or close any branches in the Scranton MSA AA or the state during the evaluation period.

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. The two branches located in low-income census tracts have Saturday office hours, and one located in a shopping mall is open for four hours on Sunday. 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 six 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. The customer can also use mobile banking with mobile deposit and online banking bill pay. Assist Checking is designed for people with developmental disabilities, and also has no monthly maintenance fee, no minimum balance required and includes financial literacy components.

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. The bank also has ATMs at eight non NBT locations in the state, located at publicly accessible locations such as hospitals and shopping malls. 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 excellent.

NBT management and employees provide an excellent level of support to various CD service organizations. NBT employees, including members of management, actively participated in nearly 20 CD related organizations by serving on the Boards of Directors or in treasurer positions for these organizations, expending approximately 2,800 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 High Satisfactory rating in Pennsylvania. 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 Vermont: Outstanding**

**The lending test is rated: High Satisfactory**

**The investment test is rated: Outstanding**

**The service test is rated: Outstanding**

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by NBT to the credit needs of its AAs.
- A good 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 neutral positive impact on the bank's lending performance.
- Investments that reflect excellent responsiveness to the credit and CD 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 Vermont**

NBT has two AAs in Vermont: the Burlington MSA AA and the Rutland County Non MSA AA. NBT has four branches within the state, representing approximately three percent of the bank's total branch network. Only 1.2 percent of NBT's total deposits are from Vermont. The bank's deposit market share ranked eighteenth in the state, with .66 percent of the total deposits in the state. During the evaluation period, NBT originated three percent of its total HMDA and small business/small farm loan volume within Vermont.

Refer to the community profiles for the State of Vermont in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## **Scope of Evaluation in Vermont**

We conducted a full-scope review of the Burlington VT MSA AA. The area has 75 percent of the total number of branches, 96 percent of the total deposits, and 88 percent of the loan originations in the state.

Home mortgage loans and small business loans were weighted equally. Home mortgage loans represented 50 percent, and small business loans 45 percent of the number of loans made in Vermont during the evaluation period. We did not consider small farm loans, as they represented less than two percent of the number of loans made in the state during the evaluation period. Of the home mortgage lending products, we gave the greatest weight to home purchase loans, which represented 55 percent of home mortgage loans, followed by refinances at 25 percent, home improvement loans at 14 percent and multi-family dwelling loans at seven percent.

We conducted one community contact in the full-scope AA during this evaluation. The contact is involved in supporting permanently affordable housing opportunities throughout the state. The contact mentioned the need for more affordable rental housing as 72 percent of low-income renters, lack affordable housing. The vacancy rate for affordable rental units is low, hence the need for many more units. The contact also mentioned the need for apprenticeship and mentoring programs to improve the employability of lower income residents, and the need for more public transportation to better connect people to their jobs. The organization is working on several equity investments, and believes there will be opportunities for banks to participate in these investments. The need for affordable housing 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 Community 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 lending activity was adequate in the Burlington MSA full scope AA. NBT ranked eighth for deposits with a 1.62 percent market share. Based on 2015 aggregate HMDA data (number of loans), the bank ranked fifteenth for home improvement loans with a .97 percent market share, thirty-fourth as originator/purchaser of refinance loans with a .38 percent market share,

twenty-third for home purchase loans with a .82 percent market share, and seventh for multi-family dwelling loans with a 4.92 percent market share. Based on 2015 CRA aggregate data (number of loans), NBT ranked nineteenth as originator/purchaser of small loans to businesses with a .84 percent market share and fourteenth when considering only loans made to small size businesses with a .99 percent 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. We gave consideration to the fact that owner-occupied housing was significantly higher in moderate-income census tracts at 15.62 percent of owner-occupied housing, compared to .38 percent in low-income census tracts. The presence of small size businesses was also significantly higher in moderate-income census tracts at 20.16 percent of AA businesses, compared to 1.09 percent in low-income census tracts.

#### ***Home Mortgage Loans***

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 overall geographic distribution of home mortgage loans was poor.

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

The overall geographic distribution of home improvement loans was adequate. The portion of home improvement loans made in moderate-income census tracts was below, and in low-income tracts was significantly below, the portion of owner-occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts substantially met, and in low-income census tracts was significantly below, the bank's overall market share of home improvement loans in the AA.

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

The overall geographic distribution of multi-family dwelling loans was excellent. The portion of loans made in moderate-income census tracts was below, and in low-income tracts exceeded the portion of multi-family housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts was significantly below, and in low-income

census tracts exceeded, the bank's overall market share of multi-family dwelling loans in the AA. There were 11 multi-family dwelling loans made in the AA during the evaluation period.

### ***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 excellent. The portion of small loans to businesses made in moderate-income census tracts exceeded, and in low-income census tract was significantly below the portion of businesses that are in those census tracts. The market share of loans originated in moderate-income census tracts was below and in low-income census tracts was significantly below 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 of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 94 percent of the bank's home mortgage loans, 93 percent of the small loans to businesses, and 87 percent of the small loans to farms were within 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. We gave consideration to the high household poverty level in the Burlington MSA AA, which was 10.24 percent. 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 excellent.

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

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

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

### ***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 adequate. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) in the Burlington MSA AA was below 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 Vermont section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

NBT's CD lending in the AA had a significant positive impact on its lending performance in the state. The bank made eight CD loans totaling \$10.6 million. Six of the loans totaling \$8.3 million supported affordable housing for people of low- and moderate-income, providing nearly two hundred units of affordable housing. The other two loans for \$2.3 million supported economic development by providing financing to small size businesses that are creating jobs for people of low- and 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. The bank made only one FHA loan for \$211,596 in the Burlington MSA AA during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Rutland County Non MSA AA is not inconsistent with the bank's overall High Satisfactory rating under the lending test in Vermont.

Refer to the Tables 1 through 12 in the State of Vermont 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 Vermont is rated Outstanding. Based on full-scope reviews, the bank's performance in the Burlington MSA AA is excellent.

The level of investment in the Burlington MSA AA was excellent. The investment activity for the AA consisted of \$5.3 million in Low-income Housing Tax Credits (LIHTC) in the current period. The investments showed excellent responsiveness to affordable housing credit needs in the AA. In addition, NBT made \$11,000 in grants to organizations in the AA that were used for a variety of CD purposes.

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.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance in the Rutland County Non MSA AA is not inconsistent with the bank's overall Outstanding rating under the Investment Test in Vermont.

Refer to the Table 14 in the State of Vermont 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 Vermont is rated Outstanding. Based on full-scope reviews, the bank's performance in the Burlington MSA 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 Burlington MSA AA, with one located in a moderate-income census tract where 19.57 percent of the AA population resides. Only 1.49 percent of the AA population resides in a low-income census tract.

NBT did not open or close any offices in the AA during the evaluation period.

NBT's hours and services offered in the 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 six 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. The customer can also use mobile banking with mobile deposit and online banking bill pay. Assist Checking is designed for people with developmental disabilities, and also has no monthly maintenance fee, no minimum balance required and includes financial literacy components.

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, participated in three CD related organizations by serving on loan and investment committees, or teaching new homebuyer classes for the organizations. Employees provided 114 hours of service during the evaluation period. The organizations support affordable housing for low- and moderate-income individuals.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in the Rutland County Non MSA AA is not inconsistent with the bank's overall rating of Outstanding under the Service Test in Vermont.

## State Rating

### State of New Hampshire

#### **CRA Rating for New Hampshire: Outstanding**

**The lending test is rated: High Satisfactory**

**The investment test is rated: Outstanding**

**The service test is rated: Outstanding**

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by NBT to the credit needs of its AAs.
- An adequate distribution of loans among borrowers of different income levels throughout the AAs.
- An excellent 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 neutral impact on the bank's lending performance.
- Investments that reflect excellent responsiveness to the credit and CD 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 New Hampshire**

NBT has three AAs in New Hampshire, i.e., the Manchester Nashua MSA AA, the Rockingham-Strafford MSA AA, and the Cheshire County Non MSA AA. It has four branches within the state, representing approximately three percent of the bank's total branch network. Approximately two percent of NBT's total deposits are from New Hampshire. The bank's deposit market share ranks thirtieth in the state out of 42 institutions, with .34 percent of total deposits in the state. During the evaluation period, NBT originated three percent of its total HMDA and small business loan volume within the state.

Refer to the community profiles for the State of New Hampshire in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## Scope of Evaluation in New Hampshire

We conducted a full-scope review of the Manchester-Nashua MSA AA for the state. The AA has 50 percent of the bank's branches in the state. Sixty-one percent of the bank's total deposits in New Hampshire were domiciled in the AA as of June 30, 2016. Loan originations in the AA represented 59 percent 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 70 percent of the number of loans the bank made in in New Hampshire.

Of the home mortgage lending products, we gave the greatest weight to refinances and home purchase loans, with each representing 39 percent and 40 percent of home mortgage loans respectively. They were followed by home improvement loans represented at 11 percent, and multi-family loans at 10 percent. NBT did not make small farm loans in the state during the evaluation period.

We conducted two community contacts in the full-scope AA during this evaluation. One contact provides community services, including affordable housing services for people of low- and moderate-income. The other contact provides affordable housing services for people of low- and moderate-income. Both contacts stressed the need for affordable housing services, both rental housing and home ownership. Other needs that were mentioned include affordable child care, job skill training programs, access to better healthcare services, support groups for youth, and supportive housing services for the elderly. The need for affordable housing and community service 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 Community 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 lending activity was adequate in the Manchester-Nashua MSA full scope AA. NBT ranked eleventh for deposits with a .58 percent market share. Based on 2015 aggregate HMDA data (number of loans), the bank ranked one-hundred seventeenth as originator/purchaser of refinance loans with a .09 percent market share, one-hundred sixteenth for home purchase loans with a .07 percent market share, and thirteenth for multi-family dwelling loans with a 2.53 percent market share. NBT did not make any home improvement loans in in the AA in 2015. Based on 2015 CRA aggregate data (number of loans), NBT ranked twenty-fourth as originator/purchaser of small loans to businesses with a .43 percent

market share and fifteenth when considering only loans made to small size businesses with a .50 percent 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 excellent penetration throughout the full-scope AA census tracts. We gave consideration to the fact that owner-occupied housing was significantly higher in moderate-income census tracts at 14.24 percent of owner-occupied housing, compared to 1.81 percent in low-income census tracts.

#### ***Home Mortgage Loans***

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 overall geographic distribution of home mortgage loans was excellent.

The geographic distribution of home purchase loans was good. The portion of home purchase loans made in moderate-income census tracts exceeded, and in low-income census tracts was significantly below the portion of owner-occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts exceeded, and in low-income census tracts was significantly below, the bank's overall market share of home purchase loans in the AA.

The overall geographic distribution of home improvement loans was poor. NBT made only four home improvement loans in the AA during the evaluation period, and none were made in low- or moderate-income census tracts.

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

The overall geographic distribution of multi-family dwelling loans was excellent. The portion of multi-family loans made in moderate-income census tracts was below, and in low-income tracts exceeded the portion of multi-family housing units that are in those census tracts. The market share of loans originated in both low- and moderate-income census tracts was significantly below the bank's overall market share of multi-family dwelling loans in the AA. There were five multi-family dwelling loans made in the AA during the evaluation period.

#### ***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 geographic distribution of small loans to businesses was excellent. The portion of small loans to businesses made in both low- and moderate-income census tracts exceeded the portion of businesses that are in those census tracts. The market share of loans originated in both low- and moderate-income census tracts exceeded 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 of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 94 percent of the bank's home mortgage loans, 93 percent of the small loans to businesses, and 87 percent of the small loans to farms were within 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. We gave consideration to the household poverty level in the Manchester-Nashua MSA AA, which was 7.47 percent. 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 was significantly below and low-income borrowers was near to, the portion of families defined as such in the AA. The market share of loans made to both low- and moderate-income borrowers was significantly below NBT's overall market share of home purchase loans in the AA.

Home improvement loan borrower distribution was good. The portion of home improvement loans made to moderate-income borrowers exceeded, and low-income borrowers was significantly below the portion of families defined as such in the AA. The market share for

loans made to both low- and moderate-income borrowers was significantly below NBT's overall market share of home improvement loans in the AA.

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

### ***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 AA was below 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 New Hampshire section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

NBT's CD lending in the AA had a significant positive impact on its lending performance in the state. The bank made two CD loans totaling \$3.7 million. Both loans supported the revitalization/stabilization of a low-income area.

### **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 did not make any affordable mortgage loan program loans in the Manchester-Nashua MSA AA during the evaluation period.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Lending Test in the Rockingham MSA and the Cheshire County Non MSA AAs, was weaker than the bank's overall High Satisfactory performance under the Lending Test in New Hampshire. The weaker performance is primarily attributable to a weaker geographic distribution of loans to low- and moderate-income census tracts, and much weaker CD lending. The weaker performance in the limited scope AAs did not change the bank's overall rating under the Lending Test.

Refer to the Tables 1 through 13 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**

The bank's performance under the investment test in New Hampshire is rated Outstanding. Based on full-scope reviews, the bank's performance in the Manchester-Nashua MSA AA was excellent.

The level of investment in the Manchester-Nashua MSA AA was excellent. The investment activity in the AA consisted of \$4.0 million in affordable housing bonds in the current period, which provided 78 units of affordable housing for low-income residents of the AA. The investments showed excellent responsiveness to affordable housing credit needs in the AA. In addition, NBT made \$17,400 in grants to organizations in the AA that were used for a variety of CD purposes.

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.

### **Conclusions for Area Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance in the Cheshire County Non MSA AA is not inconsistent with the bank's overall Outstanding rating under the Investment Test in New Hampshire. NBT's performance in the Rockingham MSA AA was weaker than its performance in the full scope AA, with a poor level of investment activity. The weaker performance in the Rockingham MSA AA did not change the bank's overall rating under the Investment Test.

Refer to the 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 reviews, the bank's performance in the Manchester-Nashua MSA AA was 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 full scope AA during the evaluation period.

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 six 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. The customer can also use mobile banking with mobile deposit and online banking bill pay. Assist Checking is designed for people with developmental disabilities, and also has no monthly maintenance fee, no minimum balance required and includes financial literacy components.

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. The bank also has one ATM located at a shopping mall. 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. The bank provided an adequate level of support to a CD service organization in the AA. One employee devoted 136 hours to two organizations. The employee served as a board chairman for an organization involved in affordable housing for people of low- and moderate-income, and as a board member of an organization that provides community services for people of low- and moderate-income.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

Based on limited-scope reviews, the bank's performance under the Service Test in both the Cheshire County Non MSA AA and the Rockingham MSA AA was weaker than the bank's overall rating of Outstanding under the Service Test in New Hampshire. The weaker performance is attributable to having only one branch in each AA, with the branches located in middle income census tracts. The weaker performance in the two limited scope AAs did not change the bank's overall rating under the Service Test.

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

## State Rating

### State of Massachusetts

**CRA Rating for Massachusetts: Satisfactory**

**The lending test is rated: High Satisfactory**

**The investment test is rated: Outstanding**

**The service test is rated: High Satisfactory**

The major factors that support this rating include:

- Lending levels that reflect adequate responsiveness by NBT to the credit needs of its AAs.
- A good distribution of loans among borrowers of different income levels throughout the AAs.
- An 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 neutral positive impact on the bank's lending performance.
- Investments that reflect excellent responsiveness to the credit and CD needs of the AAs.
- Service delivery systems that are 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 Massachusetts

NBT has one AA in Massachusetts, the Pittsfield MSA AA. The AA consists of only Berkshire County. NBT has six branches within the state, representing four percent of the bank's total branch network. Approximately two percent of NBT's total deposits are from Massachusetts. The bank's deposit market share ranks one-hundred thirty-fourth in the state, with .03 percent of total deposits in the state. NBT originated one percent of its total HMDA and small business/small farm loan volume within Massachusetts.

Refer to the community profiles for the State of Massachusetts in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## Scope of Evaluation in Massachusetts

We conducted a full-scope review of NBT's only AA located in Massachusetts. Small business loans were given more weight than home mortgage loans, accounting for 55 percent of the number of loans made in Massachusetts. There were no small farm loans made in the state during the evaluation period.

Of the home mortgage lending products, we gave the greatest weight to home purchase loans, which represented 47 percent of home mortgage loans, followed by refinance loans at 30 percent, home improvement loans at 18 percent and multi-family dwelling loans at five percent.

We conducted two community contacts in the full-scope AA during this evaluation. Both contacts are involved in providing affordable housing services for people of low- and moderate-income. One of the contacts also provided numerous other services for people of low- and moderate-income. Both contacts emphasized the critical need for affordable housing, as many residents are spending up to 80 percent of their income on housing. There is also significant need for credit and budget counseling, volunteer income tax preparation and small loans to purchase furniture and appliances (keeping them away from expensive rent to buy arrangements). The need for affordable housing related loans, investments and services in the AA was considered in our evaluation of NBT's performance in Massachusetts under the Lending, Investment and Service Tests. Refer to the Community 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 High Satisfactory.

### Lending Activity

Refer to Tables 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 lending activity was adequate in the Pittsfield MSA full scope AA. NBT ranked seventh for deposits with a 2.94 percent market share. Based on 2015 aggregate HMDA data (number of loans), the bank ranked twelfth as originator/purchaser of home improvement loans with a .78 percent market share, twenty-fifth for refinance loans with a .62 percent market share, nineteenth for home purchase loans with a .78 percent market share, and fifth for multi-family dwelling loans with a 7.14 percent market share. Based on 2015 CRA aggregate data (number of loans), NBT ranked thirteenth as originator/purchaser of small loans to businesses with a 1.35 percent market share and ninth when considering only loans made to small size businesses with a 1.65 percent 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. We gave consideration to the fact that owner-occupied housing was significantly higher in moderate-income census tracts at 6.91 percent of owner-occupied housing, compared to .63 percent in low-income census tracts.

### ***Home Mortgage Loans***

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 overall geographic distribution of home mortgage loans was good.

The geographic distribution of home purchase loans was good. The portion of home purchase loans made in moderate-income census tracts was near to, and in low-income census tracts was significantly below the portion of owner-occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts exceeded, and in low-income census tracts was significantly below, the bank's overall market share of home purchase loans made in the AA.

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

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

The overall geographic distribution of multi-family dwelling loans was excellent. The portion of multi-family loans made in both low- and moderate-income census tracts exceeded the portion of multi-family housing units that are in those census tracts. The market share of loans originated in both low- and moderate-income census tracts was significantly below the bank's overall market share of multi-family dwelling loans in the AA. There were nine multi-family dwelling loans made in the AA during the evaluation period.

### ***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 geographic distribution of small loans to businesses was adequate. The portion of small loans to businesses made in moderate-income census tracts was significantly below, and low-income census tracts below, the portion of businesses that are in those census tracts. The market share of loans originated in both low- and moderate-income census tracts exceeded 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 of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 94 percent of the bank's home mortgage loans, 93 percent of the small loans to businesses, and 87 percent of the small loans to farms were within 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. We gave consideration to the high household poverty level in the Pittsfield MSA AA, which was 12.19 percent. 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 moderate-income borrowers exceeded, and low-income borrowers was significantly below, the portion of families defined as such in the AA. The market share of loans made to

moderate-income borrowers was below, and low-income borrowers significantly below, NBT's overall market share of home purchase loans in the AA.

Home improvement loan borrower distribution was good. The portion of home improvement loans made to moderate-income borrowers was near to, and low-income borrowers below, 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 significantly below, NBT's overall market share of home improvement loans in the AA.

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

### ***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 good. The portion of NBT loans to small businesses (businesses with revenues of \$1 million or less) in the 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 Massachusetts section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

NBT's CD lending in the AA had a significantly positive impact on its lending performance in the state. The bank made one CD loan for \$1.25 million, which supported economic development by financing a small size business that is creating jobs, including jobs for people with low- and 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 Massachusetts.

While NBT offered several affordable loan program in the AA, it made only two loans in such programs during the evaluation period. The bank made one loan for \$118,275 under the Home in the City Loan Program and one loan for \$131,400 under the Freddie Mac Fixed Rate Home Possible Program. The Home in the City Loan Program is available only in certain

cities, allows for down payments as low as five percent without private mortgage insurance, and offers loan terms from 10 to 30 years. The Home Possible Loan Program features down payments as low as five percent and 30 loan year terms.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

NBT has no limited scope AAs in Massachusetts. Refer to the Tables 1 through 12 in the State of Massachusetts 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 Massachusetts is rated Outstanding Based on full-scope reviews, the bank's performance in the Pittsfield MSA AA was excellent.

The investment activity in the Pittsfield MSA AA consisted of \$2.6 million in affordable housing bonds in the current period, which provided 38 units of affordable housing for low- and moderate-income residents of the AA. The investment showed excellent responsiveness to affordable housing credit needs in the AA. In addition, NBT made \$5,500 in grants to organizations in the AA that were used for a variety of CD purposes.

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.

### **Conclusions for Area Receiving Limited-Scope Reviews**

NBT has no limited scope AAs in Massachusetts. Refer to Table 14 in the State of Massachusetts 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 Massachusetts is rated High Satisfactory.

### **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 MSA

AA, with one located in a low-income census tract where 2.58 percent of the AA population resides. The other branches are located in middle and upper-income census tracts.

NBT did not open or close any branches in the full scope AA during the evaluation period.

NBT's hours and services offered in the 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 six 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. The customer can also use mobile banking with mobile deposit and online banking bill pay. Assist Checking is designed for people with developmental disabilities, and also has no monthly maintenance fee, no minimum balance required and includes financial literacy components.

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 adequate. Employees provided 173 hours of service to three organizations who provide community services targeted to people of low- and moderate-income.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

NBT has no limited scope AAs in Massachusetts.

Refer to Table 15 in the State of Massachusetts section of Appendix D for the facts and data that support these conclusions.

## State Rating

### State of Maine

#### CRA Rating for Maine: **Outstanding**

The lending test is rated: **High Satisfactory**

The investment test is rated: **Outstanding**

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.
- An adequate distribution of loans among borrowers of different income levels throughout the AAs.
- An excellent 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 neutral impact on the bank's lending performance.
- Investments that reflect excellent responsiveness to the credit and CD 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 Maine

NBT has one AA in Maine, the Portland-South Portland MSA AA. The AA consists of Cumberland, York and Sagadahoc counties. NBT has one branch within the state, representing 1 percent of the bank's total branch network. Less than one-tenth of one percent of NBT's total deposits were from Maine as of June 30, 2016. NBT did not begin operations in the state until January 2015. The bank's deposit market share rank was thirty-one, putting it last place in the state, with .02 percent of total deposits. NBT originated only .3 percent of its total HMDA and small business/small farm loan volume within Maine.

Refer to the community profiles for the State of Maine in Appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

## Scope of Evaluation in Maine

We conducted a full-scope review of NBT's only AA located in Maine. Home mortgage loans were given more weight than small business loans, accounting for 59 percent of the number of loans made in Maine. The bank made only 24 HMDA loans and 13 small business loans during the evaluation period. There were no small farm loans made in the AA during the evaluation period.

Of the home mortgage lending products, we gave the greatest weight to multi-family dwelling loans, which represented 58 percent of home mortgage loans, followed by refinance loans at 25 percent. Home improvement and home purchase loans each represent eight percent of home mortgage loans.

We conducted one community contact in the full-scope AA during this evaluation. The contact is involved in providing affordable housing for people of low- and moderate-income. The current housing stock is not meeting the needs of lower income residents. Sixty-two percent of the residents of Portland earn less than the county median income. There are long waiting lists for family housing. Besides the need for affordable housing, the contact mentioned the need for access to social services and legal aid for the lower income residents. The need for affordable housing related loans, investments and services in the AA was considered in our evaluation of NBT's performance in Massachusetts under the Lending, Investment and Service Tests. Refer to the Community 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 Maine is rated High Satisfactory.

### Lending Activity

Refer to Tables 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 lending activity was good in the Portland MSA full scope AA. NBT ranked last out of 21 deposit taking institutions for deposit market share with a .04 percent market share. Based on 2015 aggregate HMDA data (number of loans), the bank ranked one-hundred eighteenth as originator/purchaser of refinance loans with a .08 percent market share, one-hundred thirtieth for home purchase loans with a .05 percent market share, and sixth out of 25 lenders for multi-family dwelling loans with a 6.56 percent market share. NBT did not make home improvement loans in this AA. Based on 2015 CRA aggregate data (number of loans), NBT ranked forty-fifth as originator/purchaser of small loans to businesses with a .04 percent market share and thirty-first when considering only loans made to small size businesses with a .04 percent market share.

## **Distribution of Loans by Income Level of the Geography**

The geographic distribution of NBT's small loans to businesses and home mortgage loans reflects excellent penetration throughout the full-scope AA census tracts. We gave consideration to the fact that owner-occupied housing was significantly higher in moderate-income census tracts at 10.36 percent of owner-occupied housing, compared to .34 percent in low-income census tracts. We also gave consideration to the low volume of loan activity, with only 37 total HMDA and small business loans made in the AA during the evaluation period.

### ***Home Mortgage Loans***

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

The overall geographic distribution of home mortgage loans was excellent.

The geographic distribution of home purchase loans was adequate. The portion of home purchase loans made in both low- and moderate-income census tracts was significantly below the portion of owner-occupied housing units that are in those census tracts. The market share of loans originated in both low- and moderate-income census tracts was significantly below the bank's overall market share of home purchase loans made in the AA. NBT made only two home purchase loans in the AA during the evaluation period.

The overall geographic distribution of home improvement loans was excellent. The portion of home improvement loans made in moderate-income census tracts exceeded, and in low-income census tracts was significantly below, the portion of owner-occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts exceeded, and in low-income census tracts was significantly below, the bank's overall market share of home improvement loans made in the AA. NBT made only two home improvement loans in the AA during the evaluation period.

The overall geographic distribution of refinance loans was excellent. The portion of refinance loans made in moderate-income census tracts exceeded, and in low-income census tracts was significantly below, the portion of owner-occupied housing units that are in those census tracts. The market share of loans originated in moderate-income census tracts exceeded, and in low-income census tracts was significantly below, the bank's overall market share of refinance loans in the AA. NBT made only six refinance loans made in the AA during the evaluation period.

The overall geographic distribution of multi-family dwelling loans was excellent. The portion of multi-family loans made in both low- and moderate-income census tracts exceeded the portion of multi-family housing units that are in those census tracts. The market share of loans originated in both low- and moderate-income census tracts exceeded the bank's overall market share of multi-family dwelling loans in the AA. Multi-family dwelling loans represented the NBT's primary HMDA product in this AA with 14 loans in the AA during the evaluation period.

### ***Small Loans to Businesses***

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

The geographic distribution of small loans to businesses was good. The portion of small loans to businesses made in low-income census tracts exceeded, and in moderate-income census tracts was significantly below, the portion of businesses that are in those census tracts. The market share of loans originated in both low-income census tracts exceeded, and in moderate-income census tracts was significantly below, 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 of the home mortgage loans, small business loans, and small farm loans were made within the bank's AAs. By product, 94 percent of the bank's home mortgage loans, 93 percent of the small loans to businesses, and 87 percent of the small loans to farms were within 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. We gave consideration to the high household poverty level in the Portland MSA AA, which was 10.13 percent. 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 Maine 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, and low-income borrowers was significantly below, the portion of families defined as such in the AA. The market share of loans made to both low-

and moderate-income borrowers was significantly below NBT's overall market share of home purchase loans in the AA. NBT made only two home purchase loans in the AA during the evaluation period.

Home improvement loan borrower distribution was good. The portion of home improvement loans made to moderate-income borrowers exceeded, and low-income borrowers significantly below the portion of families defined as such in the AA. The market share for loans made to both low-income and moderate-income borrowers was significantly below, NBT's overall market share of home improvement loans in the AA. NBT made only two home improvement loans in the AA during the evaluation period.

Refinance loan borrower distribution was adequate. The portion of refinance loans made to both low- and moderate-income borrowers was significantly below the portion of families defined as such in the AA. The market share of loans made to both low- and moderate-income borrowers was significantly below NBT's overall market share of refinance loans in the AA. NBT made only six refinance loans in the AA during the evaluation period.

### ***Small Loans to Businesses***

Refer to Table 11 in the State of Maine 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 AA was below the portion of businesses that are defined as such. The market share of small loans to businesses was equal to NBT's overall market share of small business loans. NBT made only 13 small business loans in the AA during the evaluation period.

### **Community Development Lending**

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

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 for \$15.7 million in the AA, which was used to finance approximately 200 units of affordable housing for people of low- and 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 Maine. The bank did not make any loans under affordable home loan programs in the Portland MSA AA during the evaluation period.

## **Conclusions for Areas Receiving Limited-Scope Reviews**

NBT has no limited scope AAs in Maine. Refer to the Tables 1 through 12 in the State of Maine 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 Maine is rated Outstanding. Based on full-scope reviews, the bank's performance in the Portland MSA AA was excellent.

The investment activity in the Portland and MSA AA consisted of \$2.6 million in Low-income Housing Tax Credits (LIHTC) and affordable housing bonds in the current period for low- and moderate-income residents of the AA. One affordable housing bond for \$936,000 supported 60 units of affordable housing for people of low- and moderate-income. The investments showed excellent responsiveness to affordable housing credit needs in the AA. In addition, NBT made \$15,000 in grants to organizations in the AA that were used for a variety of CD purposes.

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.

### **Conclusions for Area Receiving Limited-Scope Reviews**

NBT does not have any limited scope AAs in Maine. Refer to the Table 14 in the State of Maine 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 Maine is rated Outstanding.

### **Retail Banking Services**

Refer to Table 15 in the State of Maine 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 one branch in the Portland MSA AA, which is located in a low-income census tract where 1.64 percent of the AA population resides. The bank opened the branch in January 2015, when it began operating in the state.

NBT's hours and services offered in the AA are good. Management sets branch hours based on customer needs and traffic patterns in each area. The office is open from 9AM to 5PM Monday to Friday.

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 six 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. The customer can also use mobile banking with mobile deposit and online banking bill pay. Assist Checking is designed for people with developmental disabilities, and also has no monthly maintenance fee, no minimum balance required and includes financial literacy components.

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 adequate. One employee provided 20 hours of service as a loan committee member for an organization that is involved in economic development that supports small businesses that are creating jobs in the AA.

### **Conclusions for Areas Receiving Limited-Scope Reviews**

NBT has no limited scope AAs in Maine. Refer to Table 15 in the State of Maine 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”).

<b>Time Period Reviewed</b>	Lending Test (excludes CD loans): 01/01/14 to 12/31/16 Investment and Service Tests and CD Loans: 03/17/14 to 09/04/17	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
NBT Bank, National Association (NBT) Norwich, New York	Home Purchase, Home Improvement, Refinance and Multi-Family Dwelling Loans reported on the HMDA LAR, Small Business and Small Farm Loans reported on the CRA Register, and CD Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
New York Southern Tier Region Non MSA Syracuse NY MSA Albany MSA Binghamton MSA Fulton-Montgomery Non MSA Utica-Rome MSA Glens Falls MSA Northern NY Non MSA  Pennsylvania Scranton Wilkes Barre MSA East Stroudsburg MSA Northeast PA Non MSA Pike County  Vermont Burlington-South Burlington MSA Rutland Non MSA  Massachusetts Pittsfield MSA	Full-Scope Full-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope Limited-Scope  Full-Scope Limited-Scope Limited-Scope Limited Scope  Full-Scope Limited Scope  Full-Scope	

<p><b>New Hampshire</b> Manchester-Nashua MSA Rockingham MSA Cheshire County Non MSA</p> <p><b>Maine</b> Portland-South Portland MSA</p>	<p>Full-Scope Limited-Scope Limited-Scope</p> <p>Full Scope</p>	
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## 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	Outstanding	High Satisfactory	Satisfactory
State:				
New York	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Pennsylvania	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Vermont	High Satisfactory	Outstanding	Outstanding	Outstanding
New Hampshire	High Satisfactory	Outstanding	Outstanding	Outstanding
Massachusetts	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Maine	High Satisfactory	Outstanding	Outstanding	Outstanding

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

## Appendix C: Community Profiles for Full-Scope Areas

### State of New York Full-Scope AAs

Institution ID: NBT BANK NA Charter #1354

#### Southern Tier NY Region

Demographic Information for Full Scope Area: Southern Tier NY Region						
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	12,995	0.00	5.44	80.80	13.57	0.19
Farms by Geography	1,048	0.00	1.62	91.89	6.49	0.00
Family Distribution by Income Level	65,454	18.27	18.35	23.17	40.21	0.00
Distribution of Low and Moderate-income Families throughout AA Geographies	23,970	0.00	5.92	84.99	9.05	0.04
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		54,386 58,900 13%	Median Housing Value Unemployment Rate August 2017		132,892 Rates from 4.7% -5.3% in AA counties	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2016 FFIEC 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 percent low-income, 4.29 percent moderate-income, 80 percent middle-income, 11.43 percent upper-income and 4.29 percent 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. The AA has the largest representation of branch offices in New York with 29 percent of the bank's total branches. Thirty-three percent of the bank's total deposits in New York State were domiciled in the AA as of June 30, 2016. The AA accounted for 23 percent 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, 2016, NBT is ranked number one for market share of deposits in the AA with a 37.85 percent 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, six percent are multi-family units, and 14 percent are mobile homes. Of total housing units, 55 percent are owner-occupied, 20 percent are renter-occupied, and 25 percent 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 2016 business demographics, there are 14,043 businesses in the AA, of which 1,048 are farms. Small businesses represent 80 percent of the businesses reporting revenues (14 percent of AA businesses did not report revenues). Approximately 86 percent of businesses reported having less than ten employees. The primary industries in the AA are services 44 percent, retail trade 16 percent, construction eight percent and agriculture seven percent. Major employers in the AA include NBT Bank, NA, Chenango Memorial Hospital, The Raymond Corporation, SUNY Cortland, Amphenol, SUNY Oneonta and Basset Hospital.

In August 2017, the five counties in the AA had unemployment rates ranging from 4.7 percent to 5.3 percent, in line with the state rate of 4.8 percent and 4.9 percent national rate.

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 NA Charter #1354

**Syracuse NY MSA AA**

Demographic Information for Full Scope Area: Syracuse NY MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	185	14.05	18.92	39.46	27.03	0.54
Population by Geography	662,577	10.26	16.23	44.09	29.35	0.07
Owner-Occupied Housing by Geography	175,175	3.25	13.57	49.17	34.01	0.00
Business by Geography	35,510	13.48	13.99	43.49	29.02	0.02
Farms by Geography	1,312	1.75	10.21	58.31	29.73	0.00
Family Distribution by Income Level	162,453	21.35	17.13	21.49	40.04	0.00
Distribution of Low and Moderate-income Families throughout AA Geographies	62,506	14.75	22.51	45.85	16.88	0.01
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		63,453 69,200 13%	Median Housing Value Unemployment Rate August 2017		115,676 4.8%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2016 FFIEC updated MFI

The AA consists of the entire three county Syracuse NY 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: 14.05 percent low-income, 18.92 percent moderate-income, 39.46 percent middle-income, 27.03 percent upper-income, and .54 percent unclassified for income.

The Syracuse MSA AA has the second largest representation of branch offices in New York with 18 percent of the bank’s total branches. Fourteen percent of the bank's total deposits in New York State were domiciled in the AA as of June 30, 2016. The AA accounted for 23 percent of NBT’s loan originations in New York State.

The Syracuse MSA 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, 2016, NBT is ranked number six for market share of deposits in the AA with a 6.35 percent 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-percent of the housing in the AA is one-to-four family units, 15 percent are multi-family units, and five percent are mobile homes. Of total housing units, 61 percent are owner-occupied, 28 percent are renter-occupied, and 11 percent are vacant. The median housing value was \$115,676 in the 2010 census. Housing stock consists mostly of older homes, with 1961 the median year homes were built in the AA. Thirteen percent of the population is over age 65.

According to the 2016 business demographics, there are 36,822 businesses in the AA, of which 1,312 are farms. Small businesses represent 79 percent of the businesses reporting revenues (13 percent of AA businesses did not report revenues). Approximately 84 percent of businesses reported having less than ten employees. The primary industries in the AA are services 48 percent, retail trade 15 percent, construction eight percent, and finance/insurance seven percent. Major employers in the AA include Syracuse University, Wegmans, Oneida Healthcare, and Oswego Health.

In August 2017, the MSA unemployment rate was 4.8 percent, in line with the 4.8 percent state and 4.9 percent national rates.

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 NA Charter #1354

### NBT Scranton WB MSA AA

Demographic Information for Full Scope Area: NBT Scranton WB MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	170	2.35	20.59	59.41	17.06	0.59
Population by Geography	563,631	2.16	18.36	58.38	21.09	0.00
Owner-Occupied Housing by Geography	157,034	0.68	14.42	61.66	23.24	0.00
Business by Geography	35,375	5.63	14.87	58.74	20.62	0.13
Farms by Geography	793	0.50	7.69	63.18	28.63	0.00
Family Distribution by Income Level	147,130	20.34	18.03	21.66	39.97	0.00
Distribution of Low and Moderate-income Families throughout AA Geographies	56,448	2.58	25.50	58.47	13.45	0.00
Median Family Income		56,045	Median Housing Value		123,891	
FFIEC Adjusted Median Family Income for 2016		60,400	Unemployment Rate August 2017		5.8%	
Households Below Poverty Level		13%				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2016 FFIEC updated MFI.

The Scranton MSA AA consists of all three counties in the Scranton/Wilkes-Barre/Hazleton 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: 2.35 percent low-income, 20.59 percent moderate-income, 59.41 percent middle-income, 17.06 percent upper-income, and .59 percent not classified for income.

The Scranton MSA AA is the largest of the bank's four AAs in the State of Pennsylvania. The AA has 55 percent 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, 2016. The AA accounted for 56 percent of NBT's loan originations in Pennsylvania.

The Scranton MSA 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, 2016, NBT ranked ninth for market share of deposits in the AA at 4.30 percent 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-eight percent of the housing in the AA is one-to-four family units, eight percent is multi-family units, and 4 percent is mobile homes. Of total housing units, 61 percent are owner-occupied, 28 percent are renter-occupied, and 12 percent are vacant. The median housing value was \$123,891 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 2016 business demographics, there are 36,168 businesses in the AA, of which 793 are farms. Small businesses represent 82 percent of the businesses reporting revenues. Twelve percent of businesses did not report revenues for 2016. Approximately 86 percent of businesses reported having less than ten employees. The primary industries in the AA are services 46 percent, retail trade 17 percent, construction eight percent, and finance eight percent. Major employers in the AA include Tobyhanna Army Depot, Geisinger Health System, Amazon, Allied Services and state and local governments.

In August 2017, the MSA unemployment rate was 5.8 percent, higher than the state rate of 5.1 percent and 4.9 percent national rate.

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 NA Charter #1354

### NBT Burlington VT MSA AA

Demographic Information for Full Scope Area: NBT Burlington VT MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	47	2.13	21.28	55.32	19.15	2.13
Population by Geography	211,261	1.49	19.57	55.39	23.55	0.00
Owner-Occupied Housing by Geography	56,920	0.38	15.61	58.44	25.50	0.07
Business by Geography	17,436	1.09	20.16	52.70	25.88	0.17
Farms by Geography	802	0.62	20.32	54.49	24.56	0.00
Family Distribution by Income Level	51,907	18.30	18.99	23.52	39.19	0.00
Distribution of Low and Moderate-income Families throughout AA Geographies	19,356	1.68	28.00	55.56	14.56	0.19
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		72,928 84,000 10%	Median Housing Value Unemployment Rate August 2017		250,895 2.50%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2016 FFIEC updated MFI.

The Burlington MSA consists of all three counties in the Burlington-South Burlington 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: 2.13 percent low-income, 21.28 percent moderate-income, 55.32 percent middle-income, 19.15 percent upper-income, and 2.13 percent not classified for income.

The Burlington MSA AA is the larger of the bank's two AAs in the Vermont. The AA has 75 percent of the bank's branches in Vermont. Ninety six percent of the bank's total deposits in Vermont were domiciled in the AA as of June 30, 2016. The AA accounted for 88 percent of NBT's loan originations in Vermont.

The Burlington MSA 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, 2016, NBT ranked eighth for market share of deposits in the AA with a 1.62 percent 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.

Eighty-one percent of the housing in the AA is one-to-four family units, 14 percent is multi-family units, and six percent is mobile homes. Of total housing units, 62 percent are owner-occupied, 29 percent are renter-occupied, and nine percent are vacant. The median housing value was \$250,895 in the 2010 census. 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. Eleven percent of the population is over age 65.

According to the 2016 business demographics, there are 18,238 businesses in the AA, of which 802 are farms. Small businesses represent 82 percent of the businesses that report revenue information. Ten percent of AA businesses did not report revenues for 2016. Approximately 86 percent of businesses reported having less than ten employees. The primary industries in the AA are services 50 percent, retail trade 13 percent, construction eight percent, and finance seven percent. Major employers in the AA include the University of Vermont Medical Center, Global Foundries, University of Vermont and GE Healthcare.

In August 2017, the MSA unemployment rate was 2.5 percent, lower than the state rate of three percent and 4.9 percent national rate.

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 New Hampshire Full-Scope AA

Institution ID: NBT BANK NA Charter #1354

### Manchester-Nashua NH MSA

Demographic Information for Full Scope Area: Manchester-Nashua NH MSA						
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	27,495	12.13	14.48	48.54	24.41	0.43
Farms by Geography	754	2.79	9.95	57.43	29.84	0.00
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 FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		81,794 83,100 7%	Median Housing Value Unemployment Rate August 2017		265,701 2.60%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2016 FFIEC updated MFI

The Manchester-Nashua MSA AA full-scope AA consists of only one county, Hillsborough County. Hillsborough County is the only county in the Manchester-Nashua New Hampshire MSA 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 percent low-income, 22.09 percent moderate-income, 48.84 percent middle-income, 18.60 percent upper-income, and 1.16 percent not classified for income.

The Manchester-Nashua MSA AA is the largest of the bank's three AAs in New Hampshire. The AA has 50 percent of the bank's branches in the state. Sixty one percent of the bank's total deposits in New Hampshire were domiciled in the AA as of June 30, 2016. The AA accounted for 59 percent of NBT's loan originations in New Hampshire.

The Manchester Nashua MSA 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, 2016, NBT ranked eleventh for market share of deposits in the AA with a .58 percent 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 percent is multi-family units, and two percent is mobile homes. Of total housing units, 64 percent are owner-

occupied, 29 percent are renter-occupied, and seven percent are vacant. The median housing value was \$265,701 in the 2010 census. Like the Burlington VT MSA 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. Eleven percent of the population is over age 65.

According to the 2016 business demographics, there are 28,249 businesses in the AA, of which 754 are farms. Small businesses represent 97 percent of the businesses that report revenue information. Ten percent of AA businesses did not report revenues for 2016. Approximately 86 percent of businesses reported having less than ten employees. The primary industries in the AA are services 47 percent, retail trade 13 percent and construction ten percent. Major employers in the AA include Fidelity Investments, BAE Systems, and Elliott Hospital.

In August 2017, the MSA unemployment rate was 2.6 percent, equal to the state rate and significantly lower than the 4.9 percent national rate.

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 NA Charter #1354

### NBT Pittsfield MA MSA AA

Demographic Information for Full Scope Area: NBT Pittsfield MA MSA 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	9,509	8.09	7.67	62.91	21.34	0.00
Farms by Geography	348	1.15	5.75	68.68	24.43	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 FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		64,783 68,400 12%	Median Housing Value Unemployment Rate (2010 US Census)		227,331 4.1%	

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

Source: 2010 US Census and 2016 FFIEC updated MFI

The Pittsfield MSA AA consists of only one county, Berkshire County. Berkshire County is the only county in the Pittsfield MSA, 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 percent low-income, 10.26 percent moderate-income, 66.67 percent middle-income, and 20.51 percent 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, 2016, NBT ranked seventh for market share of deposits in the AA with a 2.94 percent 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 percent is multi-family units, and two percent is mobile homes. Of total housing units, 56 percent are owner-occupied, 25 percent are renter-occupied, and 19 percent 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. Eighteen percent of the population is over age 65.

According to the 2016 business demographics, there are 9,857 businesses in the AA, of which 348 are farms. Small businesses represent 82 percent of the businesses that report revenue information. Twelve percent of AA businesses did not report revenues for 2016.

Approximately 86 percent of businesses reported having less than ten employees. The primary industries in the AA are services 46 percent, retail trade 16 percent, and construction nine percent. Major employers in the AA include Berkshire Healthcare Systems, Berkshire Concrete, BMC Hillcrest, and Savickas Innovative Plastics.

In August 2017, the MSA unemployment rate was 4.1 percent, slightly higher than 3.7 percent state rate and lower than the 4.9 percent national rate.

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

## State of Maine Full-Scope AA

Institution ID: NBT BANK NA Charter #1354

### Portland ME MSA AA

Demographic Information for Full Scope Area: Portland ME MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	115	2.61	15.65	60.00	20.87	0.87
Population by Geography	514,098	1.64	12.85	61.95	23.56	0.00
Owner-Occupied Housing by Geography	151,579	0.34	10.36	63.15	26.15	0.00
Business by Geography	33,436	8.27	10.38	56.91	24.44	0.00
Farms by Geography	1,112	2.70	7.46	64.03	25.81	0.00
Family Distribution by Income Level	135,937	18.96	18.25	23.60	39.19	0.00
Distribution of Low and Moderate-income Families throughout AA Geographies	50,583	1.81	18.57	63.89	15.72	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		67,971 73,600 10%	Median Housing Value Unemployment Rate August 2017		254,924 2.5%	

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

Source: 2010 US Census and 2016 FFIEC updated MFI

The Portland MSA AA consists of the entire three county Portland-South Portland MSA located in southwestern Maine. 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: 2.61 percent low-income, 15.65 percent moderate-income, 60 percent middle-income, 20.87 percent upper-income, and .87 percent not classified for income.

The Portland MSA 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, 2016, NBT ranked last out of 21 deposit taking institutions for market share of deposits in the AA with a .04 percent 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-three percent of the housing in the AA is one-to-four family units, 11 percent is multi-family units, and six percent is mobile homes. Of total housing units, 58 percent are owner-occupied, 23 percent are renter-occupied, and 19 percent are vacant. The median housing value was \$254,924 in the 2010 census. Like the Burlington VT MSA and Manchester Nashua NH MSA AAs, 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. Fourteen percent of the population is over age 65.

According to the 2016 business demographics, there are 33,548 businesses in the AA, of which 1,112 are farms. Small businesses represent 81 percent of the businesses that report revenue information. Eleven percent of AA businesses did not report revenues for 2016. Approximately 84 percent of businesses reported having less than ten employees. The primary industries in the AA are services 48 percent, retail trade 14 percent, and construction nine percent. Major employers in the AA include Maine Health, IDEXX, WEX and Unum.

In August 2017, the MSA unemployment rate was 2.5 percent, lower than the 3.1 percent state rate and significantly lower than the 4.9 percent national rate.

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

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables included in each set:

- 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, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the

table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.
- A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

**Tables of Performance Data**

**State of New York**

**Institution ID: NBT BANK NA Charter #1354**

**Table 1. Lending Volume**

LENDING VOLUME		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
Assessment Area (2016):	% 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)	
<b>Full Review:</b>												
Southern Tier NY Region	23.16	1,188	112,848	804	80,849	258	18,698	4	17,630	2,254	230,025	33.42
Syracuse NY MSA AA	22.59	961	152,066	1,063	126,098	163	12,915	12	64,665	2,199	355,744	14.06
<b>Limited Review:</b>												
Albany NY MSA AA	10.88	419	87,277	575	78,579	54	4,250	11	54,578	1,059	224,684	13.39
Binghamton NY MSA AA	6.99	289	30,612	346	57,130	39	2,298	6	29,074	680	119,114	6.88
Fulton Montgomery NY	8.95	398	29,949	342	30,404	130	10,212	1	3,000	871	73,565	13.59
Glens Falls NY MSA AA	4.19	162	40,593	222	35,090	21	2,563	3	2,120	408	80,366	0.85
North Region NY	9.51	431	53,243	462	54,243	30	2,088	3	6,650	926	116,224	8.69
Utica Rome NY MSA AA	13.74	544	68,592	651	86,808	134	14,731	8	38,854	1,337	208,985	9.13

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from March 17, 2014 to September 04, 2017.

\*\*\* Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: NEW YORK					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Southern Tier NY Region	556	25.12	0.00	0.00	3.87	1.26	83.15	82.91	12.98	15.83	7.85	0.00	2.75	8.17	7.79	
Syracuse NY MSA AA	555	25.08	3.25	1.26	13.57	6.31	49.17	44.86	34.01	47.57	1.95	0.48	0.87	2.11	2.22	
<b>Limited Review:</b>																
Albany NY MSA AA	214	9.67	4.37	1.87	11.32	11.68	56.55	58.88	27.76	27.57	0.60	0.00	0.83	0.51	0.76	
Binghamton NY MSA AA	144	6.51	2.26	0.00	10.05	13.19	57.21	61.81	30.48	25.00	2.30	0.00	4.52	2.82	1.23	
Fulton Montgomery NY	121	5.47	2.29	0.83	15.18	14.05	73.44	80.17	9.10	4.96	4.17	0.00	6.85	3.96	2.68	
Glens Falls NY MSA AA	105	4.74	0.00	0.00	1.69	4.76	84.43	68.57	13.88	26.67	2.60	0.00	2.04	2.21	4.76	
North Region NY	188	8.50	0.00	0.00	9.21	13.30	74.29	57.45	16.50	29.26	2.92	0.00	5.81	2.04	4.36	
Utica Rome NY MSA AA	330	14.91	2.90	1.21	8.83	4.85	60.03	46.97	28.24	46.97	3.92	1.47	3.29	3.46	5.14	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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)

Institution ID: NBT BANK NA Charter #1354

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Home Improvement 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	
<b>Full Review:</b>																
Southern Tier NY Region	437	31.83	0.00	0.00	3.87	1.37	83.15	90.39	12.98	8.24	23.13	0.00	4.00	26.69	11.50	
Syracuse NY MSA AA	210	15.29	3.25	1.43	13.57	14.76	49.17	64.29	34.01	19.52	3.27	2.04	2.14	4.18	2.19	
<b>Limited Review:</b>																
Albany NY MSA AA	112	8.16	4.37	0.00	11.32	27.68	56.55	56.25	27.76	16.07	2.82	0.00	8.57	2.34	2.15	
Binghamton NY MSA AA	106	7.72	2.26	0.00	10.05	14.15	57.21	67.92	30.48	17.92	5.43	0.00	9.30	5.03	5.92	
Fulton Montgomery NY	207	15.08	2.29	0.97	15.18	18.84	73.44	76.81	9.10	3.38	30.23	16.67	23.53	34.15	0.00	
Glens Falls NY MSA AA	22	1.60	0.00	0.00	1.69	0.00	84.43	77.27	13.88	22.73	2.59	0.00	0.00	2.47	3.39	
North Region NY	147	10.71	0.00	0.00	9.21	7.48	74.29	75.51	16.50	17.01	5.48	0.00	1.49	5.25	9.09	
Utica Rome NY MSA AA	132	9.61	2.90	1.52	8.83	8.33	60.03	60.61	28.24	29.55	3.89	0.00	4.40	3.45	5.37	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Southern Tier NY Region	182	25.17	0.00	0.00	3.87	1.10	83.15	84.07	12.98	14.84	6.28	0.00	0.00	6.77	5.62	
Syracuse NY MSA AA	179	24.76	3.25	1.12	13.57	7.82	49.17	55.87	34.01	35.20	1.52	1.19	1.00	2.18	0.84	
<b>Limited Review:</b>																
Albany NY MSA AA	77	10.65	4.37	1.30	11.32	18.18	56.55	53.25	27.76	27.27	0.29	0.00	0.49	0.31	0.20	
Binghamton NY MSA AA	34	4.70	2.26	0.00	10.05	8.82	57.21	55.88	30.48	35.29	1.19	0.00	1.30	1.31	1.00	
Fulton Montgomery NY	65	8.99	2.29	0.00	15.18	15.38	73.44	78.46	9.10	6.15	4.80	0.00	6.00	4.28	7.02	
Glens Falls NY MSA AA	29	4.01	0.00	0.00	1.69	0.00	84.43	72.41	13.88	27.59	1.31	0.00	0.00	1.32	1.47	
North Region NY	83	11.48	0.00	0.00	9.21	14.46	74.29	59.04	16.50	26.51	2.43	0.00	4.00	2.24	2.44	
Utica Rome NY MSA AA	74	10.24	2.90	0.00	8.83	0.00	60.03	55.41	28.24	44.59	1.41	0.00	0.00	1.33	1.98	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
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	% MF Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Southern Tier NY Region	13	15.66	0.00	0.00	7.33	0.00	80.19	92.31	12.48	7.69	14.29	0.00	0.00	13.33	33.33		
Syracuse NY MSA AA	17	20.48	24.54	23.53	25.39	29.41	31.05	35.29	19.02	11.76	5.08	0.00	10.00	8.33	0.00		
<b>Limited Review:</b>																	
Albany NY MSA AA	16	19.28	13.50	18.75	22.87	18.75	40.10	50.00	23.53	12.50	3.60	0.00	0.00	4.76	8.00		
Binghamton NY MSA AA	5	6.02	20.23	0.00	32.78	40.00	31.43	60.00	15.57	0.00	3.45	0.00	0.00	8.33	0.00		
Fulton Montgomery NY	5	6.02	10.18	0.00	35.10	40.00	54.08	60.00	0.64	0.00	0.00	0.00	0.00	0.00	0.00		
Glens Falls NY MSA AA	6	7.23	0.00	0.00	11.90	0.00	73.10	100.00	15.00	0.00	7.14	0.00	0.00	9.09	0.00		
North Region NY	13	15.66	0.16	0.00	25.18	15.38	50.32	46.15	24.34	38.46	35.71	0.00	33.33	20.00	50.00		
Utica Rome NY MSA AA	8	9.64	15.96	0.00	27.21	12.50	39.87	37.50	16.96	50.00	16.00	0.00	0.00	30.00	12.50		

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans						
<b>Full Review:</b>																
Southern Tier NY Region	804	18.11	0.00	0.00	5.44	2.74	80.80	86.44	13.57	10.82	7.69	0.00	5.80	8.78	5.08	
Syracuse NY MSA AA	1,063	23.94	13.48	7.53	13.99	9.97	43.49	65.48	29.02	17.03	3.89	3.09	3.06	5.69	2.04	
<b>Limited Review:</b>																
Albany NY MSA AA	575	12.95	7.50	6.26	15.55	15.13	50.41	55.83	26.50	22.78	1.74	1.37	1.91	1.81	1.70	
Binghamton NY MSA AA	346	7.79	8.81	15.32	14.65	18.50	49.44	43.06	27.09	23.12	4.33	9.31	3.66	4.63	2.90	
Fulton Montgomery NY	342	7.70	3.91	3.80	18.41	22.22	70.97	71.05	6.71	2.92	7.36	4.26	8.46	8.32	1.08	
Glens Falls NY MSA AA	222	5.00	0.00	0.00	6.42	9.91	79.76	72.52	13.82	17.57	3.64	0.00	5.30	3.68	3.28	
North Region NY	461	10.38	0.19	0.00	12.92	14.97	66.62	60.74	19.64	24.30	4.87	0.00	5.96	4.61	5.66	
Utica Rome NY MSA AA	627	14.12	4.59	1.75	13.70	20.73	54.57	50.40	25.53	27.11	6.31	2.35	8.16	5.97	6.18	

\* Based on 2015 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 (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Southern Tier NY Region	258	31.12	0.00	0.00	1.62	0.39	91.89	99.22	6.49	0.39	37.89	0.00	50.00	38.46	0.00	
Syracuse NY MSA AA	163	19.66	1.75	0.00	10.21	5.52	58.31	89.57	29.73	4.91	30.17	0.00	33.33	37.69	3.13	
<b>Limited Review:</b>																
Albany NY MSA AA	54	6.51	1.94	0.00	10.39	20.37	64.95	77.78	22.72	1.85	25.00	0.00	66.67	22.73	0.00	
Binghamton NY MSA AA	39	4.70	0.41	0.00	6.72	10.26	74.13	89.74	18.74	0.00	21.54	0.00	100.00	22.22	0.00	
Fulton Montgomery NY	130	15.68	0.61	0.00	16.41	32.31	69.91	63.08	13.07	4.62	49.40	0.00	42.31	54.72	25.00	
Glens Falls NY MSA AA	21	2.53	0.00	0.00	0.66	0.00	93.39	100.00	5.95	0.00	11.63	0.00	0.00	11.63	0.00	
North Region NY	30	3.62	0.00	0.00	2.17	0.00	85.87	96.67	11.59	3.33	14.29	0.00	0.00	14.55	16.67	
Utica Rome NY MSA AA	134	16.16	0.80	0.00	1.86	0.00	78.70	85.07	18.64	14.93	37.04	0.00	0.00	35.48	50.00	

\* Based on 2015 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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 <sup>1</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Southern Tier NY Region	556	25.12	18.27	7.14	18.35	20.08	23.17	24.32	40.21	48.46	8.60	9.68	9.65	7.13	8.87
Syracuse NY MSA AA	555	25.08	21.35	5.98	17.13	15.14	21.49	23.93	40.04	54.95	2.25	1.32	1.12	2.37	3.33
<b>Limited Review:</b>															
Albany NY MSA AA	214	9.67	20.53	14.29	18.05	19.39	21.80	26.02	39.62	40.31	0.66	0.57	0.48	0.60	0.89
Binghamton NY MSA AA	144	6.51	20.53	10.07	18.21	26.62	21.41	19.42	39.85	43.88	2.66	2.72	2.31	2.44	3.14
Fulton Montgomery NY	121	5.47	21.96	6.90	18.84	29.31	20.66	25.86	38.54	37.93	4.53	6.15	5.22	4.07	4.04
Glens Falls NY MSA AA	105	4.74	18.07	7.45	19.24	8.51	23.61	10.64	39.09	73.40	2.76	3.70	0.87	1.06	5.19
North Region NY	188	8.50	20.63	8.20	18.52	15.85	20.81	21.31	40.04	54.64	3.40	3.57	3.83	2.20	3.93
Utica Rome NY MSA AA	330	14.91	21.06	6.25	17.28	19.38	21.41	19.69	40.26	54.69	4.40	3.37	2.75	2.47	7.95

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 5.1% of loans originated and purchased by bank.

<sup>1</sup> 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						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016						
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 <sup>2</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Southern Tier NY Region	437	31.83	18.27	16.98	18.35	23.11	23.17	27.83	40.21	32.08	23.15	30.16	25.68	24.39	19.03
Syracuse NY MSA AA	210	15.29	21.35	20.59	17.13	26.96	21.49	27.45	40.04	25.00	3.25	2.88	3.31	4.54	2.36
<b>Limited Review:</b>															
Albany NY MSA AA	112	8.16	20.53	17.65	18.05	21.57	21.80	27.45	39.62	33.33	2.55	5.06	1.40	3.45	1.89
Binghamton NY MSA AA	106	7.72	20.53	21.78	18.21	29.70	21.41	20.79	39.85	27.72	5.48	6.60	5.74	3.05	6.90
Fulton Montgomery NY	207	15.08	21.96	20.59	18.84	28.43	20.66	24.02	38.54	26.96	30.00	34.21	46.43	29.79	14.49
Glens Falls NY MSA AA	22	1.60	18.07	5.26	19.24	10.53	23.61	31.58	39.09	52.63	1.92	0.00	0.00	2.15	2.98
North Region NY	147	10.71	20.63	13.89	18.52	23.61	20.81	26.39	40.04	36.11	5.49	4.42	5.69	3.40	7.19
Utica Rome NY MSA AA	132	9.61	21.06	11.29	17.28	22.58	21.41	29.03	40.26	37.10	3.65	2.54	3.61	4.91	3.26

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 3.7% of loans originated and purchased by bank.

<sup>2</sup> 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				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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 <sup>3</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
Southern Tier NY Region	182	25.17	18.27	8.33	18.35	20.24	23.17	27.38	40.21	44.05	6.62	2.17	8.78	7.85	5.83	
Syracuse NY MSA AA	179	24.76	21.35	10.98	17.13	17.34	21.49	25.43	40.04	46.24	1.72	1.97	1.23	1.71	1.91	
<b>Limited Review:</b>																
Albany NY MSA AA	77	10.65	20.53	7.14	18.05	18.57	21.80	20.00	39.62	54.29	0.33	0.23	0.25	0.27	0.43	
Binghamton NY MSA AA	34	4.70	20.53	20.00	18.21	23.33	21.41	20.00	39.85	36.67	1.33	4.26	1.38	0.71	1.03	
Fulton Montgomery NY	65	8.99	21.96	16.13	18.84	25.81	20.66	22.58	38.54	35.48	5.18	20.00	5.00	6.41	2.07	
Glens Falls NY MSA AA	29	4.01	18.07	0.00	19.24	7.14	23.61	21.43	39.09	71.43	1.62	0.00	0.85	2.50	1.72	
North Region NY	83	11.48	20.63	6.49	18.52	22.08	20.81	22.08	40.04	49.35	2.75	5.88	3.57	2.21	2.41	
Utica Rome NY MSA AA	74	10.24	21.06	3.13	17.28	9.38	21.41	23.44	40.26	64.06	1.22	0.60	1.59	1.38	1.10	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 7.1% 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			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
Southern Tier NY Region	804	18.01	79.68	61.07	76.00	13.68	10.32	7.69	9.77
Syracuse NY MSA AA	1,063	23.81	79.13	40.55	73.94	12.42	13.64	3.89	3.53
<b>Limited Review:</b>									
Albany NY MSA AA	575	12.88	79.50	59.30	65.74	18.78	15.48	1.74	2.01
Binghamton NY MSA AA	346	7.75	79.77	48.84	60.98	19.94	19.08	4.33	5.32
Fulton Montgomery NY	342	7.66	78.89	62.87	77.78	13.74	8.48	7.36	9.33
Glens Falls NY MSA AA	222	4.97	81.21	52.70	60.36	22.07	17.57	3.64	3.66
North Region NY	462	10.35	77.21	60.17	64.94	22.51	12.55	4.87	7.02
Utica Rome NY MSA AA	651	14.58	79.13	50.54	68.05	18.13	13.82	6.31	6.51

\* Based on 2015 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 - 2016).

\*\*\*\* 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 5.44% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: NEW YORK			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
Southern Tier NY Region	258	31.12	98.38	85.27	74.42	20.93	4.65	37.89	47.62
Syracuse NY MSA AA	163	19.66	95.66	82.21	74.85	20.25	4.91	30.17	45.35
<b>Limited Review:</b>									
Albany NY MSA AA	54	6.51	96.45	68.52	74.07	20.37	5.56	25.00	37.14
Binghamton NY MSA AA	39	4.70	97.15	84.62	87.18	7.69	5.13	21.54	30.95
Fulton Montgomery NY	130	15.68	98.78	81.54	79.23	13.85	6.92	49.40	55.93
Glens Falls NY MSA AA	21	2.53	96.26	76.19	61.90	28.57	9.52	11.63	29.41
North Region NY	30	3.62	95.77	93.33	80.00	16.67	3.33	14.29	25.76
Utica Rome NY MSA AA	134	16.16	97.74	86.57	64.18	26.12	9.70	37.04	54.24

\* Based on 2015 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 - 2016).

\*\*\*\* 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 5.07% of small loans to farms originated and purchased by the bank.

Institution ID: NBT BANK NA Charter #1354

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NEW YORK				Evaluation Period: March 17, 2014 TO September 4, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Southern Tier NY Region	8	459	46	24,866	54	25,325	32.83	0	0
Syracuse NY MSA AA	1	2,929	65	13,965	66	16,893	21.90	0	0
<b>Limited Review:</b>									
Albany NY MSA AA	0	386	48	5,581	48	5,968	7.74	0	0
Binghamton NY MSA AA	0	215	43	8,682	43	8,897	11.53	0	0
Fulton Montgomery NY	0	193	41	5,461	41	5,654	7.33	0	0
Glens Falls NY MSA AA	0	0	12	945	12	945	1.23	0	0
North Region NY	0	363	22	10,812	22	11,175	14.49	0	0
Utica Rome NY MSA AA	0	35	33	2,249	33	2,284	2.96	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 YORK				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					
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
<b>Full Review:</b>																	
Southern Tier NY Region	33.42	31	28.70	0.00	0.00	87.10	12.90	0	2	0	0	-1	-1	0.00	4.37	80.50	12.57
Syracuse NY MSA AA	14.06	19	17.59	15.79	15.79	31.59	36.84	0	1	0	0	-1	0	10.26	16.23	44.09	29.35
<b>Limited Review:</b>																	
Albany NY MSA AA	13.39	15	13.89	0.00	13.33	73.33	13.33	0	0	0	0	0	0	9.63	14.16	50.96	24.89
Binghamton NY MSA AA	6.88	9	8.33	11.11	33.33	44.44	11.11	0	0	0	0	0	0	4.90	14.20	52.84	28.05
Fulton Montgomery NY	13.59	11	10.19	0.00	27.27	72.73	0.00	0	0	0	0	0	0	4.72	20.72	67.42	7.14
Glens Falls NY MSA AA	.850	2	1.85	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	3.47	83.45	13.08
North Region NY	8.69	12	11.11	0.00	25.00	41.67	33.33	0	0	0	0	0	0	0.75	10.83	70.90	16.10
Utica Rome NY MSA AA	9.13	9	8.33	0.00	11.11	55.56	33.33	0	0	0	0	0	0	6.71	14.14	53.10	24.02

State of Pennsylvania

Institution ID: NBT BANK NA Charter #1354

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016						
Assessment Area (2016):	% 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)	
<b>Full Review:</b>												
NBT Scranton WB MSA AA	55.97	519	62,843	275	27,836	2	25	1	1,100	797	91,804	53.37
<b>Limited Review:</b>												
NBT East Stroudsburg PA MSA AA	7.72	51	6,305	56	5,379	1	4	1	1,075	109	12,763	8.25
NBT Northeast PA Non MSA AA	25.42	246	26,233	111	7,883	4	145	1	1,950	362	36,211	29.78
NBT Pike County PA AA	10.88	115	15,050	39	2,883	1	50	0	0	155	17,983	8.60

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from March 17, 2014 to September 04, 2017.

\*\*\* Deposit Data as of June 30, 2016. 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, 2014 TO DECEMBER 31, 2016							
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
<b>Full Review:</b>															
NBT Scranton WB MSA AA	219	54.21	0.68	1.37	14.42	6.85	61.66	63.47	23.24	28.31	1.15	4.76	0.98	1.25	0.90
<b>Limited Review:</b>															
NBT East Stroudsburg PA MSA AA	25	6.19	0.00	0.00	3.84	4.00	79.53	84.00	16.63	12.00	0.30	0.00	0.00	0.39	0.00
NBT Northeast PA Non MSA AA	98	24.26	0.00	0.00	0.00	0.00	93.26	93.88	6.74	6.12	1.95	0.00	0.00	2.04	1.04
NBT Pike County PA AA	62	15.35	0.00	0.00	80.12	79.03	19.88	20.97	0.00	0.00	1.64	0.00	1.62	1.79	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
NBT Scranton WB MSA AA	125	53.88	0.68	0.00	14.42	4.80	61.66	62.40	23.24	32.80	3.13	0.00	1.75	3.25	3.51	
<b>Limited Review:</b>																
NBT East Stroudsburg PA MSA AA	7	3.02	0.00	0.00	3.84	0.00	79.53	71.43	16.63	28.57	1.06	0.00	0.00	1.36	0.00	
NBT Northeast PA Non MSA AA	85	36.64	0.00	0.00	0.00	0.00	93.26	97.65	6.74	2.35	10.19	0.00	0.00	10.65	0.00	
NBT Pike County PA AA	15	6.47	0.00	0.00	80.12	73.33	19.88	26.67	0.00	0.00	1.90	0.00	1.14	5.88	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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)

Institution ID: NBT BANK NA Charter #1354

**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
NBT Scranton WB MSA AA	173	59.25	0.68	0.00	14.42	6.36	61.66	52.60	23.24	41.04	1.97	0.00	1.45	1.57	3.00
<b>Limited Review:</b>															
NBT East Stroudsburg PA MSA AA	19	6.51	0.00	0.00	3.84	15.79	79.53	78.95	16.63	5.26	0.31	0.00	1.16	0.32	0.00
NBT Northeast PA Non MSA AA	62	21.23	0.00	0.00	0.00	0.00	93.26	100.00	6.74	0.00	2.93	0.00	0.00	3.17	0.00
NBT Pike County PA AA	38	13.01	0.00	0.00	80.12	86.84	19.88	13.16	0.00	0.00	1.74	0.00	1.94	0.83	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
NBT Scranton WB MSA AA	2	66.67	16.20	0.00	25.74	0.00	46.13	100.00	11.94	0.00	1.75	0.00	0.00	3.13	0.00	
<b>Limited Review:</b>																
NBT East Stroudsburg PA MSA AA	0	0.00	0.00	0.00	1.74	0.00	93.30	0.00	4.96	0.00	0.00	0.00	0.00	0.00	0.00	
NBT Northeast PA Non MSA AA	1	33.33	0.00	0.00	0.00	0.00	89.93	100.00	10.07	0.00	0.00	0.00	0.00	0.00	0.00	
NBT Pike County PA AA	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 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016									
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	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
NBT Scranton WB MSA AA	275	57.17	5.63	2.91	14.87	10.18	58.74	62.91	20.62	24.00	0.97	0.92	1.18	0.96	0.96		
<b>Limited Review:</b>																	
NBT East Stroudsburg PA MSA AA	56	11.64	0.00	0.00	3.11	5.36	85.40	78.57	11.49	16.07	0.96	0.00	0.00	1.08	0.88		
NBT Northeast PA Non MSA AA	111	23.08	0.00	0.00	0.00	0.00	91.42	100.00	8.58	0.00	3.03	0.00	0.00	3.40	0.00		
NBT Pike County PA AA	39	8.11	0.00	0.00	67.37	58.97	32.63	41.03	0.00	0.00	2.19	0.00	1.52	4.11	0.00		

\* Based on 2015 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 (2016).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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
<b>Full Review:</b>															
NBT Scranton WB MSA AA	2	25.00	0.50	0.00	7.69	0.00	63.18	100.00	28.63	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
NBT East Stroudsburg PA MSA AA	1	12.50	0.00	0.00	3.48	0.00	80.00	100.00	16.52	0.00	11.11	0.00	0.00	11.11	0.00
NBT Northeast PA Non MSA AA	4	50.00	0.00	0.00	0.00	0.00	95.27	100.00	4.73	0.00	0.00	0.00	0.00	0.00	0.00
NBT Pike County PA AA	1	12.50	0.00	0.00	73.47	100.00	26.53	0.00	0.00	0.00	33.33	0.00	33.33	0.00	0.00

\* Based on 2015 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE			Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016						
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
<b>Full Review:</b>															
NBT Scranton WB MSA AA	219	54.21	20.34	11.00	18.03	29.19	21.66	25.84	39.97	33.97	1.37	2.14	1.70	0.98	1.21
<b>Limited Review:</b>															
NBT East Stroudsburg PA MSA AA	25	6.19	20.07	4.00	17.27	24.00	22.89	36.00	39.77	36.00	0.36	0.69	0.61	0.18	0.26
NBT Northeast PA Non MSA AA	98	24.26	16.39	8.25	18.45	30.93	23.65	17.53	41.51	43.30	2.30	3.33	5.88	0.93	1.74
NBT Pike County PA AA	62	15.35	32.50	12.90	25.89	20.97	23.74	32.26	17.88	33.87	1.95	1.64	1.47	3.45	1.53

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 2.7% 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)

Institution ID: NBT BANK NA Charter #1354

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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 <sup>5</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
NBT Scranton WB MSA AA	125	53.88	20.34	6.78	18.03	22.88	21.66	25.42	39.97	44.92	3.06	1.78	4.33	3.31	2.77
<b>Limited Review:</b>															
NBT East Stroudsburg PA MSA AA	7	3.02	20.07	0.00	17.27	42.86	22.89	0.00	39.77	57.14	1.10	0.00	3.77	0.00	0.77
NBT Northeast PA Non MSA AA	85	36.64	16.39	11.76	18.45	21.18	23.65	34.12	41.51	32.94	10.54	16.00	9.62	15.38	7.59
NBT Pike County PA AA	15	6.47	32.50	46.67	25.89	20.00	23.74	26.67	17.88	6.67	2.06	0.00	7.41	0.00	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 3.0% of loans originated and purchased by bank.

<sup>5</sup> 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, 2014 TO DECEMBER 31, 2016					Market Share*				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers							
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>6</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp	
<b>Full Review:</b>																
NBT Scranton WB MSA AA	173	59.25	20.34	7.83	18.03	18.67	21.66	18.07	39.97	55.42	2.27	1.38	2.71	1.66	2.55	
<b>Limited Review:</b>																
NBT East Stroudsburg PA MSA AA	19	6.51	20.07	5.88	17.27	5.88	22.89	47.06	39.77	41.18	0.44	0.00	0.46	0.99	0.21	
NBT Northeast PA Non MSA AA	62	21.23	16.39	5.00	18.45	13.33	23.65	21.67	41.51	60.00	3.49	2.13	2.88	2.41	4.26	
NBT Pike County PA AA	38	13.01	32.50	34.21	25.89	36.84	23.74	18.42	17.88	10.53	2.36	3.81	1.41	2.59	2.05	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 3.8% of loans originated and purchased by bank.

<sup>6</sup> 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, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
NBT Scranton WB MSA AA	275	57.17	82.22	74.18	72.36	16.73	10.91	0.97	1.32
<b>Limited Review:</b>									
NBT East Stroudsburg PA MSA AA	56	11.64	85.98	76.79	78.57	7.14	14.29	0.96	1.35
NBT Northeast PA Non MSA AA	111	23.08	86.19	77.48	81.08	14.41	4.50	3.03	4.66
NBT Pike County PA AA	39	8.11	88.54	79.49	69.23	28.21	2.56	2.19	3.02

\* Based on 2015 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 - 2016).

\*\*\*\* 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 4.37% 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, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
NBT Scranton WB MSA AA	2	25.00	97.10	100.00	100.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
NBT East Stroudsburg PA MSA AA	1	12.50	96.52	0.00	100.00	0.00	0.00	11.11	0.00
NBT Northeast PA Non MSA AA	4	50.00	99.29	100.00	100.00	0.00	0.00	0.00	0.00
NBT Pike County PA AA	1	12.50	97.96	100.00	100.00	0.00	0.00	33.33	100.00

\* Based on 2015 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 - 2016).

\*\*\*\* 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.

Institution ID: NBT BANK NA Charter #1354

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: PENNSYLVANIA				Evaluation Period: March 17, 2014 TO September 4, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
NBT Scranton WB MSA AA	0	0	52	2,842	52	2,842	52.12	0	0
<b>Limited Review:</b>									
NBT East Stroudsburg PA MSA AA	0	0	6	1,011	6	1,011	18.53	0	0
NBT Northeast PA Non MSA AA	0	0	22	1,101	22	1,101	20.18	0	0
NBT Pike County PA AA	0	0	1	500	1	500	9.17	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.

Institution ID: NBT BANK NA Charter # 1354

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: PENNSYLVANIA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
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
<b>Full Review:</b>																	
NBT Scranton WB MSA AA	53.37	17	54.84	11.76	0.00	58.82	29.41	0	0	0	0	0	0	2.16	18.36	58.38	21.09
<b>Limited Review:</b>																	
NBT East Stroudsburg PA MSA AA	8.25	4	12.90	0.00	0.00	75.00	25.00	0	0	0	0	0	0	0.00	4.41	79.26	16.33
NBT Northeast PA Non MSA AA	29.78	8	25.81	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	92.71	7.29
NBT Pike County PA AA	8.60	2	6.45	0.00	50.00	50.00	0.00	0	0	0	0	0	0	0.00	80.65	19.35	0.00

State of Vermont

Institution ID: NBT BANK NA Charter # 1354

**Table 1. Lending Volume**

LENDING VOLUME												
Geography: VERMONT												
Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016												
Assessment Area (2016):	% 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)	
<b>Full Review:</b>												
NBT Burlington VT MSA AA	87.95	135	51,349	123	27,818	4	77	8	10,649	270	89,893	95.72
<b>Limited Review:</b>												
NBT Rutland County VT Non MSA AA	12.05	20	3,333	16	1,051	1	20	0	0	37	4,404	4.28

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from March 17, 2014 to September 04, 2017.

\*\*\* Deposit Data as of June 30, 2016. 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: VERMONT				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
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
<b>Full Review:</b>															
NBT Burlington VT MSA AA	72	84.71	0.38	0.00	15.62	4.17	58.48	66.67	25.52	29.17	0.79	0.00	0.21	0.82	1.09
<b>Limited Review:</b>															
NBT Rutland County VT Non MSA AA	13	15.29	0.00	0.00	7.00	15.38	84.40	84.62	8.60	0.00	0.97	0.00	0.00	1.26	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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)

Institution ID: NBT BANK NA Charter # 1354

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT			Geography: VERMONT				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
NBT Burlington VT MSA AA	18	85.71	0.38	0.00	15.62	11.11	58.48	33.33	25.52	55.56	0.99	0.00	0.85	0.47	2.41	
<b>Limited Review:</b>																
NBT Rutland County VT Non MSA AA	3	14.29	0.00	0.00	7.00	0.00	84.40	100.00	8.60	0.00	1.41	0.00	0.00	1.75	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
NBT Burlington VT MSA AA	34	89.47	0.38	0.00	15.62	11.76	58.48	55.88	25.52	32.35	0.32	0.00	0.48	0.27	0.36	
<b>Limited Review:</b>																
NBT Rutland County VT Non MSA AA	4	10.53	0.00	0.00	7.00	0.00	84.40	100.00	8.60	0.00	0.53	0.00	0.00	0.68	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
NBT Burlington VT MSA AA	11	100.00	3.97	9.09	31.45	18.18	53.75	63.64	10.84	9.09	4.92	16.67	0.00	7.14	0.00	
<b>Limited Review:</b>																
NBT Rutland County VT Non MSA AA	0	0.00	0.00	0.00	20.06	0.00	43.85	0.00	36.09	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016							
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
<b>Full Review:</b>															
NBT Burlington VT MSA AA	123	88.49	1.09	0.00	20.16	23.58	52.70	42.28	25.88	34.15	0.84	0.00	0.68	0.64	1.46
<b>Limited Review:</b>															
NBT Rutland County VT Non MSA AA	16	11.51	0.00	0.00	13.28	18.75	75.86	81.25	10.87	0.00	0.29	0.00	0.85	0.27	0.00

\* Based on 2015 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 (2016).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS												Geography: VERMONT				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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					
<b>Full Review:</b>																				
NBT Burlington VT MSA AA	4	80.00	0.62	0.00	20.32	0.00	54.49	100.00	24.56	0.00	0.00	0.00	0.00	0.00	0.00					
<b>Limited Review:</b>																				
NBT Rutland County VT Non MSA AA	1	20.00	0.00	0.00	1.76	0.00	86.97	100.00	11.27	0.00	4.17	0.00	0.00	4.55	0.00					

\* Based on 2015 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 (2016).

Institution ID: NBT BANK NA Charter # 1354

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: VERMONT						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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 7	% BANK Loans ****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
NBT Burlington VT MSA AA	72	84.71	18.30	11.48	18.99	18.03	23.52	18.03	39.19	52.46	0.76	1.25	0.55	0.71	0.85
<b>Limited Review:</b>															
NBT Rutland County VT Non MSA AA	13	15.29	20.78	9.09	18.91	9.09	21.10	0.00	39.21	81.82	1.18	6.67	0.00	0.00	2.11

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 15.3% 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, 2014 TO DECEMBER 31, 2016					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 <sup>8</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
NBT Burlington VT MSA AA	18	85.71	18.30	7.14	18.99	14.29	23.52	35.71	39.19	42.86	0.72	0.00	0.65	0.51	1.10	
<b>Limited Review:</b>																
NBT Rutland County VT Non MSA AA	3	14.29	20.78	0.00	18.91	66.67	21.10	33.33	39.21	0.00	1.49	0.00	9.09	0.00	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 19.0% of loans originated and purchased by bank.

<sup>8</sup> 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, 2014 TO DECEMBER 31, 2016					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****						
<b>Full Review:</b>																
NBT Burlington VT MSA AA	34	89.47	18.30	0.00	18.99	20.00	23.52	26.67	39.19	53.33	0.34	0.00	0.35	0.26	0.44	
<b>Limited Review:</b>																
NBT Rutland County VT Non MSA AA	4	10.53	20.78	0.00	18.91	25.00	21.10	50.00	39.21	25.00	0.60	0.00	0.00	0.98	0.66	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 10.5% 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, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
NBT Burlington VT MSA AA	123	88.49	83.01	53.66	53.66	15.45	30.89	0.84	0.99
<b>Limited Review:</b>									
NBT Rutland County VT Non MSA AA	16	11.51	81.86	75.00	87.50	0.00	12.50	0.29	0.40

\* Based on 2015 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 - 2016).

\*\*\*\* 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 6.47% 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, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
NBT Burlington VT MSA AA	4	80.00	97.63	100.00	100.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
NBT Rutland County VT Non MSA AA	1	20.00	98.24	100.00	100.00	0.00	0.00	4.17	12.50

\* Based on 2015 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 - 2016).

\*\*\*\* 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 17, 2014 TO September 4, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
NBT Burlington VT MSA AA	0	3,664	10	5,316	10	8,981	89.95	0	0
<b>Limited Review:</b>									
NBT Rutland County VT Non MSA AA	0	0	3	1,003	3	1,003	10.05	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: VERMONT				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
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
<b>Full Review:</b>																	
NBT Burlington VT MSA AA	95.72	3	75.00	0.00	33.33	33.33	33.33	0	0	0	0	0	0	1.49	19.57	55.39	23.55
<b>Limited Review:</b>																	
NBT Rutland County VT Non MSA AA	4.28	1	25.00	0.00	100.00	0.00	0.00	1	0	0	+1	0	0	0.00	10.68	81.65	7.67

State of New Hampshire

Institution ID: NBT BANK NA Charter # 1354

**Table 1. Lending Volume**

LENDING VOLUME		Geography: NEW HAMPSHIRE						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
Assessment Area (2016):	% 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)	
<b>Full Review:</b>												
Manchester-Nashua NH MSA	59.08	51	22,450	124	28,263	0	0	2	3,677	177	55,861	60.67
<b>Limited Review:</b>												
Cheshire County NH Non MSA AA	20.13	22	5,030	39	9,633	0	0	0	0	61	14,663	24.04
Rockingham NH MSA AA	20.79	15	16,070	48	15,212	0	0	0	0	63	31,282	15.30

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from March 17, 2014 to September 04, 2017.

\*\*\* Deposit Data as of June 30, 2016. 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, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Manchester-Nashua NH MSA	19	54.29	1.81	0.00	14.24	26.32	55.69	42.11	28.26	31.58	0.07	0.00	0.27	0.03	0.05	
<b>Limited Review:</b>																
Cheshire County NH Non MSA AA	9	25.71	0.00	0.00	11.15	0.00	74.86	100.00	13.99	0.00	0.21	0.00	0.00	0.28	0.00	
Rockingham NH MSA AA	7	20.00	0.41	0.00	19.81	0.00	59.05	57.14	20.73	42.86	0.05	0.00	0.00	0.04	0.11	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Manchester-Nashua NH MSA	4	40.00	1.81	0.00	14.24	0.00	55.69	75.00	28.26	25.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Cheshire County NH Non MSA AA	4	40.00	0.00	0.00	11.15	0.00	74.86	100.00	13.99	0.00	1.45	0.00	0.00	1.92	0.00	
Rockingham NH MSA AA	2	20.00	0.41	0.00	19.81	50.00	59.05	0.00	20.73	50.00	0.10	0.00	0.53	0.00	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Manchester-Nashua NH MSA	23	67.65	1.81	26.09	14.24	17.39	55.69	21.74	28.26	34.78	0.05	0.00	0.14	0.03	0.06	
<b>Limited Review:</b>																
Cheshire County NH Non MSA AA	6	17.65	0.00	0.00	11.15	0.00	74.86	66.67	13.99	33.33	0.52	0.00	0.00	0.44	1.23	
Rockingham NH MSA AA	5	14.71	0.41	0.00	19.81	0.00	59.05	80.00	20.73	20.00	0.01	0.00	0.00	0.02	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
Manchester-Nashua NH MSA	5	55.56	17.00	20.00	29.86	20.00	46.05	40.00	7.09	20.00	2.53	0.00	0.00	5.56	20.00	
<b>Limited Review:</b>																
Cheshire County NH Non MSA AA	3	33.33	0.00	0.00	8.10	0.00	80.97	100.00	10.93	0.00	66.67	0.00	0.00	66.67	0.00	
Rockingham NH MSA AA	1	11.11	2.52	0.00	30.10	0.00	54.28	0.00	13.10	100.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
<b>Full Review:</b>																
Manchester-Nashua NH MSA	123	58.57	12.13	13.01	14.48	17.89	48.54	39.84	24.41	29.27	0.43	0.55	0.46	0.37	0.44	
<b>Limited Review:</b>																
Cheshire County NH Non MSA AA	39	18.57	0.00	0.00	6.97	0.00	79.70	84.62	13.33	15.38	1.27	0.00	0.00	1.37	2.01	
Rockingham NH MSA AA	48	22.86	0.56	2.08	17.27	2.08	62.53	60.42	19.26	35.42	0.19	0.00	0.08	0.20	0.28	

\* Based on 2015 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 (2016).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: NEW HAMPSHIRE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Manchester-Nashua NH MSA	0	0.00	2.79	0.00	9.95	0.00	57.43	0.00	29.84	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Limited Review:</b>																
Cheshire County NH Non MSA AA	0	0.00	0.00	0.00	11.61	0.00	76.79	0.00	11.61	0.00	0.00	0.00	0.00	0.00	0.00	
Rockingham NH MSA AA	0	0.00	0.41	0.00	13.19	0.00	61.45	0.00	24.95	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2015 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: NEW HAMPSHIRE					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families ***	% BANK Loans****	% Families 10	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****						
<b>Full Review:</b>																
Manchester-Nashua NH MSA	19	54.29	18.88	10.00	18.83	0.00	23.63	10.00	38.65	80.00	0.07	0.00	0.00	0.00	0.21	
<b>Limited Review:</b>																
Cheshire County NH Non MSA AA	9	25.71	17.40	0.00	19.10	11.11	24.40	44.44	39.10	44.44	0.26	0.00	0.00	0.86	0.00	
Rockingham NH MSA AA	7	20.00	18.20	0.00	19.04	0.00	24.29	33.33	38.46	66.67	0.03	0.00	0.00	0.05	0.04	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 37.1% 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: NEW HAMPSHIRE						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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 11	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Manchester-Nashua NH MSA	4	40.00	18.88	0.00	18.83	25.00	23.63	0.00	38.65	75.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>															
Cheshire County NH Non MSA AA	4	40.00	17.40	0.00	19.10	50.00	24.40	25.00	39.10	25.00	1.56	0.00	9.09	0.00	0.00
Rockingham NH MSA AA	2	20.00	18.20	0.00	19.04	0.00	24.29	0.00	38.46	100.00	0.11	0.00	0.00	0.00	0.27

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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.

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: NEW HAMPSHIRE						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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
<b>Full Review:</b>															
Manchester-Nashua NH MSA	23	67.65	18.88	10.00	18.83	10.00	23.63	0.00	38.65	80.00	0.02	0.00	0.12	0.00	0.00
<b>Limited Review:</b>															
Cheshire County NH Non MSA AA	6	17.65	17.40	0.00	19.10	0.00	24.40	40.00	39.10	60.00	0.44	0.00	0.00	0.81	0.54
Rockingham NH MSA AA	5	14.71	18.20	25.00	19.04	0.00	24.29	0.00	38.46	75.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 44.1% 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: NEW HAMPSHIRE			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
Manchester-Nashua NH MSA	124	58.77	82.37	54.84	45.16	24.19	30.65	0.43	0.50
<b>Limited Review:</b>									
Cheshire County NH Non MSA AA	39	18.48	81.70	56.41	41.03	20.51	38.46	1.27	2.12
Rockingham NH MSA AA	48	22.75	83.31	31.25	33.33	16.67	50.00	0.19	0.09

\* Based on 2015 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 - 2016).

\*\*\*\* 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 6.64% 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, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
Manchester-Nashua NH MSA	0	0.00	96.68	0.00	0.00	0.00	0.00	0.00	0.00
<b>Limited Review:</b>									
Cheshire County NH Non MSA AA	0	0.00	98.21	0.00	0.00	0.00	0.00	0.00	0.00
Rockingham NH MSA AA	0	0.00	96.22	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 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 - 2016).

\*\*\*\* 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 17, 2014 TO September 4, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Manchester-Nashua NH MSA	0	0	8	4,013	8	4,013	89.87	0	0
<b>Limited Review:</b>									
Cheshire County NH Non MSA AA	0	0	1	449	1	449	10.06	0	0
Rockingham NH MSA AA	0	0	3	3,000	3	3	0.07	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: JANUARY 1, 2014 TO DECEMBER 31, 2016					
MA/Assessment Area:	Deposit S	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
<b>Full Review:</b>																	
Manchester-Nashua NH MSA	60.67	2	50.00	100.00	0.00	0.00	0.00	0	0	0	0	0	0	6.59	18.76	51.11	23.55
<b>Limited Review:</b>																	
Cheshire County NH Non MSA AA	24.04	1	25.00	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	10.88	76.88	12.24
Rockingham NH MSA AA	15.30	1	25.00	0.00	0.00	100.00	0.00	0	1	0	0	-1	0	0.41	21.52	57.40	20.67

State Of Massachusetts

Institution ID: NBT BANK NA Charter # 1354

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MASSACHUSETTS						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
Assessment Area (2016):	% 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)	
<b>Full Review:</b>												
NBT Pittsfield MA MSA AA	100.00	73	13,958	92	11,115	0	0	1	1,250	166	39,022	100.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from March 17, 2014 to September 04, 2017.

\*\*\* Deposit Data as of June 30, 2016. 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, 2014 TO DECEMBER 31, 2016							
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
<b>Full Review:</b>															
NBT Pittsfield MA MSA AA	34	100.00	0.63	0.00	6.91	5.88	69.52	70.59	22.94	23.53	0.72	0.00	0.92	0.66	0.82

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
NBT Pittsfield MA MSA AA	13	100.00	0.63	0.00	6.91	7.69	69.52	84.62	22.94	7.69	0.79	0.00	0.00	1.12	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
NBT Pittsfield MA MSA AA	22	100.00	0.63	0.00	6.91	4.55	69.52	72.73	22.94	22.73	0.62	0.00	1.69	0.59	0.45

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
<b>Full Review:</b>																
NBT Pittsfield MA MSA AA	4	100.00	18.58	25.00	14.84	25.00	50.87	25.00	15.70	25.00	7.14	0.00	0.00	0.00	50.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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, 2014 TO DECEMBER 31, 2016								
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
<b>Full Review:</b>															
NBT Pittsfield MA MSA AA	92	100.00	8.09	6.52	7.67	3.26	62.91	63.04	21.34	27.17	1.35	2.00	0.60	1.52	1.25

\* Based on 2015 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 (2016).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS															Geography: MASSACHUSETTS					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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									
<b>Full Review:</b>																								
NBT Pittsfield MA MSA AA	0	0.00	1.15	0.00	5.75	0.00	68.68	0.00	24.43	0.00	0.00	0.00	0.00	0.00	0.00									

\* Based on 2015 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MASSACHUSETTS					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share*				
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families 13	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****						
<b>Full Review:</b>																
NBT Pittsfield MA MSA AA	34	100.00	21.78	3.85	17.02	30.77	22.60	19.23	38.61	46.15	0.76	0.00	0.63	0.66	1.08	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 23.5% 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: MASSACHUSETTS					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016								
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
<b>Full Review:</b>															
NBT Pittsfield MA MSA AA	13	100.00	21.78	7.69	17.02	15.38	22.60	23.08	38.61	53.85	0.82	1.92	0.00	0.77	1.07

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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: MASSACHUSETTS					Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016								
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
<b>Full Review:</b>															
NBT Pittsfield MA MSA AA	22	100.00	21.78	5.00	17.02	30.00	22.60	35.00	38.61	30.00	0.63	0.00	1.36	0.61	0.46

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 9.1% 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: MASSACHUSETTS			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
NBT Pittsfield MA MSA AA	92	100.00	81.70	75.00	76.09	7.61	16.30	1.35	1.64

\* Based on 2015 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 - 2016).

\*\*\*\* 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, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
NBT Pittsfield MA MSA AA	0	0.00	95.69	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 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 - 2016).

\*\*\*\* 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.

Institution ID: NBT BANK NA Charter #1354

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: MASSACHUSETTS				Evaluation Period: March 17, 2014 TO September 4, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
NBT Pittsfield MA MSA AA	0	0	3	2,570	3	2,570	100.00	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.

Institution ID: NBT BANK NA #1354

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: MASSACHUSETTS				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					
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
<b>Full Review:</b>																	
NBT Pittsfield MA MSA AA	100.00	6	100.00	16.67	0.00	66.67	16.67	0	0	0	0	0	0	2.58	10.63	66.83	19.95

State of Maine

Institution ID: NBT BANK NA Charter # 1354

**Table 1. Lending Volume**

LENDING VOLUME		Geography: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016						
Assessment Area (2016):	% 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)	
<b>Full Review:</b>												
Portland ME MSA AA	100.00	24	91,804	13	5,934	0	0	4	15,699	41	113,437	100.00

\* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.

\*\* The evaluation period for Community Development Loans is from March 17, 2014 to September 04, 2017.

\*\*\* Deposit Data as of June 30, 2016. 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: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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					
<b>Full Review:</b>															
Portland ME MSA AA	2	100.00	0.34	0.00	10.36	0.00	63.15	100.00	26.15	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Portland ME MSA AA	2	100.00	0.34	0.00	10.36	50.00	63.15	0.00	26.15	50.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Portland ME MSA AA	6	100.00	0.34	0.00	10.36	16.67	63.15	66.67	26.15	16.67	0.04	0.00	0.15	0.02	0.05	

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					Market Share (%) by Geography*				
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans					
<b>Full Review:</b>															
Portland ME MSA AA	14	100.00	10.73	35.71	27.98	42.86	47.97	21.43	13.33	0.00	6.56	13.33	9.52	3.70	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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					
<b>Full Review:</b>																				
Portland ME MSA AA	13	100.00	8.27	30.77	10.38	0.00	56.91	46.15	24.44	23.08	0.04	0.23	0.00	0.03	0.03					

\* Based on 2015 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 (2016).

**Table 7. Geographic Distribution of Small Loans to Farms**

Geographic Distribution: SMALL LOANS TO FARMS			Geography: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016					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						
<b>Full Review:</b>																
Portland ME MSA AA	0	0.00	2.70	0.00	7.46	0.00	64.03	0.00	25.81	0.00	0.00	0.00	0.00	0.00	0.00	

\* Based on 2015 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 (2016).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: MAINE						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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 16	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Portland ME MSA AA	2	100.00	18.96	0.00	18.25	50.00	23.60	0.00	39.19	50.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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.

16 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: MAINE						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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 17	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Portland ME MSA AA	2	100.00	18.96	0.00	18.25	50.00	23.60	0.00	39.19	50.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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.

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

Institution ID: NBT BANK NA Charter # 1354

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: MAINE						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016							
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 18	% BANK Loans****	% Families ***	% BANK Loans****	% Families ***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
Portland ME MSA AA	6	100.00	18.96	0.00	18.25	0.00	23.60	20.00	39.19	80.00	0.03	0.00	0.00	0.00	0.07

\* Based on 2015 Peer Mortgage Data -- US and PR

\*\* 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 16.7% of loans originated and purchased by bank.

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

Institution ID: NBT BANK NA Charter # 1354

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: MAINE			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
Portland ME MSA AA	13	100.00	81.31	46.15	15.38	23.08	61.54	0.04	0.04

\* Based on 2015 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 - 2016).

\*\*\*\* 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 7.69% of small loans to businesses originated and purchased by the bank.

Institution ID: NBT BANK NA Charter # 1354

**Table 12. Borrower Distribution of Small Loans to Farms**

Borrower Distribution: SMALL LOANS TO FARMS		Geography: MAINE			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016				
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
<b>Full Review:</b>									
Portland ME MSA AA	0	0.00	95.05	0.00	0.00	0.00	0.00	0.00	0.00

\* Based on 2015 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 - 2016).

\*\*\*\* 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: MAINE				Evaluation Period: March 17, 2014 TO September 4, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Portland ME MSA AA	0	0	17	2,552	17	2,552	100.00	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: MAINE				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2016									
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
<b>Full Review:</b>																	
Portland ME MSA AA	100.00	1	100.00	100.0	0.00	0.00	0.00	1	0	+1	0	0	0	1.64	12.85	61.95	23.56