



Comptroller of the Currency
Administrator of National Banks

Northeastern District Office
340 Madison Avenue, 5th Floor
New York, New York 10173
212-790-4055; Fax: 301-333-7015

**Conditional Approval #881
October 2008**

September 22, 2008

Robert A. Schwartz, Esq.
Partner, Windel Marx Lane & Mittendorf, LLP
120 Albany Street
New Brunswick, New Jersey 08901

Re: Change in Bank Control Act Notice in Connection with the Proposed Acquisition of
Community Bank of Orange, National Association, Middletown, New York by Kenneth
J. Torsoe, Harald R. Torsoe, Daniel E. Rifkin, Kevin J. Plunkett, and Edward T. Lutz
(hereinafter "Notificants")
OCC Control No.: 2008-NE-11-0001

Dear Mr. Schwartz:

The Office of the Comptroller of the Currency ("OCC") has reviewed and evaluated your Notice of Change in Bank Control ("Notice") involving Community Bank of Orange, National Association, Middletown, New York ("Bank"). Based on a review of the facts on record and the representations and commitments made by the Notificants, the OCC declares the Notice to be technically complete and does not disapprove the Notice. The OCC has determined that the statutory factors it considers under the Change in Bank Control Act and OCC regulation are consistent with this decision.

This decision is subject to the following conditions:

(1) No later than five (5) business days after the Notificants acquire control of the Bank, the Notificants shall cause the Bank to enter into a written operating agreement with the OCC.

(2) Following their acquisition of control of the Bank, the Notificants shall take all steps reasonably necessary to ensure that the Bank implements and adheres to the business plan submitted pursuant to the Notice of Change in Bank Control.

These conditions are conditions "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of

Change In Bank Control Notice
Community Bank of Orange, National Association
Middletown, New York
OCC Control No.: 2008-NE-11-0001

12 U.S.C. § 1818. As such, these condition are enforceable under 12 U.S.C. § 1818.

The date of consummation of this change in control must be provided to the OCC's Northeastern District Office within 10 days after consummation. The transaction must be consummated as proposed in the notice. If any of the terms, conditions, or parties to the transaction described in the notice change, the OCC must be informed in writing prior to consummation to determine if any action is required. In such situations, the OCC reserves the right to require submission of an amended or new Notice of Change in Bank Control.

In addition, unless an extension is granted, the transaction must be consummated within six months of the date of this letter. Failure to consummate within six months or within an approved extended time period granted by the OCC will cause our decision to lapse and require the filing of a new notice by the acquiring parties and payment of the appropriate filing fee if the acquirer wishes to proceed with the change in bank control.

This decision and the activities and communications by OCC employees in connection with the filing, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable laws and regulations. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

A separate letter is enclosed requesting your feedback on how we handled your notice. We would appreciate your response so we may improve our service. If you have any questions, contact Senior Licensing Analyst Steven Maggio at steven.maggio@occ.treas.gov or at 212-790-4090.

Sincerely,

signed

J. Greg Parvin
Director for District Licensing