



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

December 31, 2007

Community Reinvestment Act Performance Evaluation

**RBS Citizens National Association
Charter Number: 24571**

**One Citizens Plaza
Providence, RI 02903**

Office of the Comptroller of the Currency

**Large Bank Division
250 E Street SW
Washington DC 20019**

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.



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

September 8, 2008

Jim Connolly, President
RBS Citizens, N.A.
28 State Street MS3860
Boston, Massachusetts 02109

Dear Mr. Connolly:

Enclosed is the RBS Citizens, N.A., Community Reinvestment Act (CRA) Performance Evaluation (PE). The Office of the Comptroller of the Currency used procedures established by the federal financial supervisory agencies to analyze the Bank's performance under the Act.

A copy of the PE, in its entirety, must be placed in your Bank CRA Public File within 30 days after receipt of this letter. The format and content of the PE may not be altered or abridged in any manner. The CRA regulation requires that your bank make this PE available to the public for inspection upon request and at no cost in your main office and all branches. If requested, your bank must also provide copies to the public. However, you may charge a reasonable fee not to exceed the cost of copying and mailing, if applicable.

Sincerely,

Michael L. Brosnan
Deputy Comptroller
Large Bank Supervision

Enclosure

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Overall CRA Rating

Institution’s CRA Rating: This institution is rated “**Outstanding**”.

The following table indicates the performance level of **RBS Citizens National Association** with respect to the Lending, Investment, and Service tests:

Performance Levels	RBS Citizens N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
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:

- An excellent volume of HMDA lending and good responsiveness to the credit needs of the assessment areas.
- An excellent distribution of loans to borrowers of different income levels.
- A good distribution of loans to geographies of different income levels.
- An excellent volume of community development lending which has a positive impact on the lending test performance.
- Excellent loan product flexibility, which has a positive impact on lending test performance.
- An excellent level of community development investments, which show excellent responsiveness to the credit and economic development needs of the assessment areas. The potential benefit to the bank’s AAs by four regional investments totaling \$4.1 million has a positive impact on investment test performance.
- Service delivery systems are readily accessible to low- and moderate-income individuals and geographies.

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.

RBS Citizens National Association: RBSC.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

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

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

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

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

Upper-Income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Description of Institution

RBS Citizens N.A. (RBSC) is an interstate financial institution headquartered in Providence, Rhode Island. RBSC was chartered by the OCC on May 13, 2005 as Citizens Bank N.A. (CBNA) in Albany, New York. CBNA resulted from the bank operations of Charter One Bank N.A. in the states of New York and Vermont being moved into the newly formed national bank. During all but the last four months of the evaluation period, CBNA conducted business within fifteen assessment areas (AAs) located in these two states. On September 1, 2007, the bank's parent holding company, Citizens Financial Group (CFG), consolidated two affiliated national banks and five affiliated state banks into the CBNA charter and renamed the bank RBS Citizens N.A. CCO Mortgage Company, the affiliated mortgage company, was also merged into the bank on September 1, 2007. CFG relocated the bank's headquarters to Providence, Rhode Island at that time. Due to the timing of this charter consolidation, we will only evaluate the bank's performance in New York and Vermont. With only four months of data for the operations in the newly added states and assessment areas, there is insufficient data on which to form a conclusion for these rating areas at this time.

RBSC is a wholly owned subsidiary of CFG, which is headquartered in Providence, Rhode Island. CFG is a wholly owned subsidiary of Royal Bank of Scotland Group (RBSG), which is headquartered in Edinburgh, Scotland. RBSC comprised 83 percent of the assets of CFG as of December 31, 2007. RBSC was the 12th largest commercial bank in the United States based upon assets as of December 31, 2007.

As of December 31, 2007, RBSC had total assets of \$128.9 billion, deposits of \$77.6 billion, and total loans of \$92.3 billion. Approximately, 59.5 percent of the bank's loan portfolio was comprised of real estate loans, of which the predominant portion was secured by 1-4 family residential properties. Loans to individuals for household, family, and personal expenditures made up 20 percent of the total loan portfolio and commercial and industrial loans comprised 17.2 percent of the portfolio. RBSC had a Tier 1 capital base of \$7.9 billion as of December 31, 2007. This Tier 1 capital includes capital from the merged affiliate national and state banks. In performing our analysis of New York and Vermont, we used the Tier 1 capital available as of June 30, 2007 since it reflected operations in only these two states. Tier 1 capital on June 30, 2007 was \$936.7 million.

RBSC has requested that eligible loans of its affiliated mortgage company, CCO Mortgage Company, be considered as part of the bank's performance. RBSC has no subsidiaries that negatively affect the bank's capacity to lend, invest, or provide banking services in its communities.

As of December 31, 2007, RBSC was a full service bank with 1,245 branches in eleven states. The bank offers a full array of retail banking services and loan products. Although the bank's business strategy is not limited to any one business endeavor, its primary focus is retail banking with an emphasis on mortgage and consumer lending. Competition is strong in the bank's major markets with numerous local, regional, and national banks as well as mortgage companies and non-bank lenders.

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its assessment areas.

This is the first CRA evaluation of RBSC since it was chartered in May 2005. The rating areas of New York and Vermont were rated Outstanding and Satisfactory respectively in the 2004 Charter One Bank N.A. CRA examination.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This is the first performance evaluation of the bank, which was chartered on May 13, 2005. This evaluation assesses the bank's performance from May 13, 2005 through December 31, 2007. Under the Lending test, we considered home purchase, home improvement, refinance and small business lending data from January 1, 2005 through December 31, 2007. We did not evaluate small farm lending because the bank did not make any of these loans during the evaluation period. For the Investment and Service tests and for Community Development Loans, we considered activity from May 13, 2005 through December 31, 2007.

Data Integrity

Examiners tested the accuracy of the bank's data used in this evaluation. We reviewed and validated the accuracy of the HMDA and small business lending data for RBSC and CCO Mortgage Company for 2005, 2006, and 2007 as part of our examination and found the data reliable and accurate.

CD loans, investments, and services submitted by RBSC and its affiliates were verified to ensure they qualified under the regulatory definition for community development. The data provided was accurate and reliable.

Selection of Areas for Full-Scope Review

In each state where the bank has a branch office on August 31, 2007, we selected one or two AAs for a full scope review. We determined which AAs would have full-scope reviews based upon a review of the volume of deposits in each AA, the volume of home mortgage and small business lending, the branching presence, and community factors. In New York, we selected the Buffalo and Rochester AAs for a full scope review. In Vermont, the non-metropolitan AA was selected for a full-scope review. Refer to the "Scope" section under each state rating area for details regarding how these AAs were selected.

We did not evaluate RBSC's performance in the States of Illinois, Michigan, Indiana, Ohio, Massachusetts, Rhode Island, Delaware, Connecticut and New Hampshire. RBSC operated in these states for only four months as of December 31, 2007 and did not have at least 12 months of lending data for analysis.

Ratings

For the purposes of this Evaluation, the two individual state ratings are combined and become RBSC's overall Evaluation. New York has 91.3 percent of the bank's deposits and was most heavily weighted in arriving at the evaluation conclusions.

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

When determining the conclusions for the Lending test, home purchase, home improvement, refinance and small loans to businesses were weighted equally. The bank did not originate any small loans to farms during the evaluation period. The volume of multifamily lending was minimal and analysis of this product was not meaningful to the overall rating.

Our conclusions for CD loans and investments are based on an evaluation of the number and dollar amount, as well as, the level of innovation, complexity, responsiveness to community needs, and the degree to which the loans and investments are not routinely provided by private investors.

Inside/Outside Ratio

This ratio is a bank wide calculation, and is not calculated by individual rating area or AA. Analysis is limited to bank originations and purchases and does not include any affiliate data. For the combined three-year period, a substantial majority of small loans to businesses were made inside the bank's AAs (96.2%) and a majority of the bank's HMDA loans were made inside the bank's AAs (55.2%). In 2005, 68.9% of the bank's HMDA and 95.5 of the bank's small loans to businesses were made inside its AAs. In 2006, 97.2% of the bank's HMDA and 85% of the bank's small loans to businesses were made inside its AAs. In 2007, RBSC filed a consolidated LAR and CRA data for the newly combined banks. Also in 2007, CFG merged their affiliated mortgage company into the bank charter. The merger of the affiliated mortgage company had a significant influence on the in/out ratios for mortgage lending. In 2007, 49.5% of the bank's HMDA loans were within the bank's AAs (post merger AAs), and 95.8% of the bank's small loans to businesses were within the combined AAs.

Fair Lending or Other Illegal Credit Practices Review

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

State Rating

State of New York

CRA Rating for New York:	Outstanding
The Lending test is rated:	Outstanding
The Investment test is rated:	Outstanding
The Service test is rated:	Outstanding

The major factors that support this rating include:

- An excellent volume of HMDA and small business lending and an excellent responsiveness to the credit needs of the AAs.
- An excellent distribution of loans among borrowers of different income levels.
- A good distribution of loans among geographies of different income levels.
- An excellent volume of community development lending in Rochester that was responsive to the credit needs of the AAs and had a positive impact on lending test performance.
- Excellent loan product flexibility, which has a positive impact on lending test performance.
- An excellent level of investments that reflects excellent responsiveness to the credit and community development needs of the AAs.
- Service delivery systems that were readily accessible to geographies and individuals of different income levels in the AAs.
- A good level of CD services, which had a positive impact on service test performance.

Description of Institution's Operations in New York

RBSC had fourteen AAs within the State of New York during the evaluation period. These AAs included the Albany AA, the Binghamton AA, the Buffalo AA, the Elmira AA, the Glens Falls AA, the Ithaca AA, the Kingston AA, the Nassau/Suffolk AA, the New York AA, the Poughkeepsie AA, the Rochester AA, the Syracuse AA, the Utica AA, and the AA of the combined non-metropolitan areas. The Albany AA, Binghamton AA, Buffalo AA, Elmira AA, Glens Falls AA, Ithaca AA, Kingston AA, Poughkeepsie AA, Rochester AA, and Utica AA included all counties and tracts within the MSA. The New York AA included Putnam, Queens, Richmond, Rockland and Westchester counties. The Syracuse AA included Madison and Onondaga counties. The counties that make up the combined non-metropolitan AA are included in Appendix A. In late 2007, the bank created a new AA in Nassau/Suffolk by its branching activity. We did not evaluate performance in this AA because we did not have at least twelve months of data. RBSC had 223 branches within the state, representing 89.2 percent of the bank's total branch network. This includes the five new branches in

Nassau/Suffolk that were not evaluated in this exam. Thirty-nine new branches were opened during the evaluation period and 14 were closed.

As of June 30, 2007, the bank ranked 15th in total state deposits with a 1.42 percent market share. RBSC's statewide deposits totaled \$10.23 billion. Deposit competitors included JPMorgan Chase, HSBC, M&T Bank, and KeyBank.

Based on deposits, New York was the largest state rating area and accounted for 91.3 percent of total bank deposits. During the evaluation period, RBSC originated 89.7 percent of its total HMDA loans and small loans to businesses in New York.

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

Scope of Evaluation in New York

We conducted full-scope reviews of the Buffalo AA and the Rochester AA. The Buffalo AA had 14.91 percent of the state's deposits and accounted for approximately 24.71 percent of the HMDA lending and 25.92 percent of the small loans to businesses in the state. The Buffalo AA had 20.18 percent of the state's branches. The Rochester AA had 16.13 percent of the state's deposits and accounted for approximately 18.11 percent of the HMDA lending and 21.25 percent of the small loans to businesses in the state. The Rochester AA had 17.49 percent of the state's branches. We based our ratings for the State of New York primarily on the results of our analysis of the AAs selected for full-scope review due to the volume of deposits and loans located in these AAs. The limited scope AA of Albany was given more weight than the other limited scope AAs due to the deposit and lending volumes. Although the Albany AA had 38.99 percent of the state's deposits, the majority of these deposits were funds held for the State of New York and were not consumer related. Refer to the market profiles in Appendix C for detailed demographics and other performance context information for the full-scope AAs.

We conducted limited scope reviews of the Albany AA, Binghamton AA, Elmira AA, Glens Falls AA, Ithaca AA, Kingston AA, New York AA, Poughkeepsie AA, Syracuse AA, Utica AA, and the combined non-metropolitan AA.

We considered input received from eight community contacts. The organizations contacted were involved primarily with affordable housing initiatives and the prevention of predatory lending in the assessment areas. They stated the primary needs in the Buffalo and Rochester AAs were affordable housing programs including affordable mortgage loans, creation of affordable rental housing, financial literacy, and small business lending. We considered these needs in our evaluation of RBSC's performance in the State of New York.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending test in New York is rated Outstanding. Based on full-scope reviews, the bank's performance in the Buffalo and Rochester AAs is excellent.

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.

RBSC's overall lending activity in the Buffalo and Rochester AAs is excellent. In Buffalo, RBSC ranked 4th for deposits with a 4.32 percent market share. Based upon 2006 aggregate HMDA data, RBSC ranked 15th in home purchase lending (2.04 percent market share) and 1st in home improvement and refinance lending (19.71 and 8.04 percent market shares). The bank ranked 13th in small business lending with a 1.75 percent market share; however, nine of the banks with higher market share were nationwide credit card lenders. In Rochester, RBSC ranked 4th for deposits with a 12.99 percent market share. Based upon 2006 aggregate HMDA data, RBSC ranked 20th in home purchase lending (1.51 percent market share) and 2nd in home improvement and refinance lending (11.17 and 6.04 percent market shares). The bank ranked 13th in small business lending with a 1.45 percent market share; however, nine of the banks with higher market share were nationwide credit card lenders. Both full-scope AAs markets were highly competitive for mortgage lending with over 250 lenders reporting HMDA data and both markets has 20 depository institutions. We considered this high level of competition in our performance assessment.

Distribution of Loans by Income Level of the Geography

The geographic distribution of home mortgage loans and small loans to businesses reflects good penetration through the Buffalo and Rochester AA geographies.

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 and purchases.

The overall geographic distribution of home purchase loans was good. The geographic distribution was good in both the Buffalo and Rochester AAs.

In Buffalo, the portion of home purchase loans in low-income geographies was significantly lower than the percentage of owner-occupied units and was poor. The portion of home purchase loans in moderate-income geographies substantially met the percentage of owner-occupied housing units and was excellent. The market share in low-income geographies exceeded the overall market share and reflected excellent performance. The market share in moderate-income geographies was slightly lower than the overall market share and was good.

In Rochester, the portion of home purchase loans in low-income geographies was somewhat lower than the percentage of owner-occupied units and was adequate. The portion of home purchase loans in moderate-income geographies exceeded the percentage of owner-occupied housing units and was excellent. The market share in low- and moderate-income geographies exceeded the overall market share and reflected excellent performance.

The overall geographic distribution of home improvement loans was excellent. The geographic distribution of home improvement loans was excellent for both the Buffalo and Rochester AAs.

In Buffalo, the portion of home improvement loans made in low-income geographies was near to the percentage of owner-occupied units and reflected excellent performance. The portion of home improvement loans in moderate-income geographies exceeded the percentage of owner-occupied units and was excellent. The market share of home improvement loans in low-income geographies was slightly lower than the bank's overall market share and was good. The market share of home improvement loans in moderate-income geographies exceeded the bank's overall market share and reflected excellent performance.

In Rochester, the portion of home improvement loans made in low- and moderate-income geographies significantly exceeded the percentage of owner-occupied units and reflected excellent performance. The market share of home improvement loans in low- and moderate-income geographies also significantly exceeded the bank's overall market share and was excellent.

The overall geographic distribution of refinance loans was adequate. The geographic distribution of refinance loans was poor in Buffalo and adequate in Rochester.

In Buffalo, the portion of refinance loans made in low- and moderate-income geographies was significantly lower than the percentage of owner-occupied units and was poor. The market share of refinance loans in low-income geographies was somewhat lower than the bank's overall market share and was adequate. The market share in moderate-income geographies was significantly lower than the bank's overall market share and reflected poor performance.

In Rochester, the portion of refinance loans made in low- and moderate-income geographies was somewhat lower than the percentage of owner-occupied units and was adequate. The market share of refinance loans in low- and moderate-income geographies was somewhat lower than the bank's overall market share and was similarly adequate.

There were no multifamily home loans in the Buffalo AA and only one multifamily loan in the Rochester AA. This lending type was not meaningful to the performance of RBSC.

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 and purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses was good. The geographic distribution of small loans to businesses was good in the Rochester AA and adequate in the Buffalo AA.

In Buffalo, the portion of small loans to businesses made in low-income geographies was significantly lower than the portion of businesses in those geographies and was poor. The portion of small loans to businesses in moderate-income geographies was adequate and was somewhat lower than the portion of small businesses in those geographies. Market share performance for low-income geographies was similarly poor and was significantly lower than the bank's overall market share. In moderate-income geographies, performance was excellent and exceeded the bank's overall market share.

In Rochester, the portion of small loans to businesses made in low- and moderate-income geographies was slightly lower than the portion of businesses in those geographies and was good. Market share performance for low- and moderate-income geographies was excellent and exceeded the bank's overall market share.

Lending Gap Analysis

We evaluated the lending distribution in the Buffalo and Rochester AAs to determine if any unexplained conspicuous gaps existed. We used reports and maps to compare the geographies where loans were made to the geographies in the AA. We considered loan distributions, branch locations, competition, market conditions, and demographic information. No unexplained conspicuous gaps were identified.

Distribution of Loans by Income Level of the Borrower

The bank's distribution of loans was excellent among borrowers of different income levels. The distribution of loans among borrowers of different income levels in the Buffalo and Rochester AAs was excellent.

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.

Borrower distribution for home purchase lending was excellent. Borrower distribution was excellent in both the Buffalo and Rochester AAs.

In Buffalo, the portion of home purchase loans to low-income borrowers was somewhat lower than the percentage of low-income families, but was considered excellent after analyzing the percentage of households living below the poverty level. The portion of home purchase loans to moderate-income borrowers exceeded the percentage of moderate-income families and was excellent. The market share of home purchase loans to low-income borrowers exceeded the bank's overall market share and was excellent. The market share of home purchase loans to moderate-income borrowers was nearly the bank's overall market share and was excellent.

In Rochester, the portion of home purchase loans to low-income borrowers was near to the percentage of low-income families, but was considered excellent after analyzing the percentage of households living below the poverty level. The portion of home purchase loans to moderate-income borrowers exceeded the percentage of moderate-income families and was excellent. The market share of home purchase loans to low- and moderate-income borrowers exceeded the bank's overall market share and was excellent.

Borrower distribution for home improvement was excellent. Borrower distribution was excellent in both the Buffalo and Rochester AAs.

In Buffalo, the portion of home improvement loans to low-income borrowers was somewhat lower than the percentage of low-income families, but was considered excellent after analyzing

the percentage of households living below the poverty level. The portion of home improvement loans to moderate-income borrowers exceeded the percentage of moderate-income families and was excellent. The market share of home improvement loans to low- and moderate-income borrowers exceeded the bank's overall market share and was excellent.

In Rochester, the portion of home Improvement loans to low- and moderate-income borrowers exceeded the percentage of low-income families and was excellent. The market share of home improvement loans to low- and moderate-income borrowers exceeded the bank's overall market share and was excellent.

Borrower distribution for refinance lending was good. Borrower distribution was good in Buffalo and excellent in Rochester.

In Buffalo, the portion of refinance loans to low-income borrowers was significantly lower than the percentage of low-income families, but was considered adequate after analyzing the percentage of households living below the poverty level. The portion of refinance loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA and was excellent. The market share of low-income borrowers was somewhat lower than the bank's overall market share and was adequate. The market share of moderate-income borrowers was slightly lower than the bank's overall market share and was good.

In Rochester, the portion of refinance loans to low-income borrowers was lower than the percentage of low-income families, but was considered excellent after analyzing the percentage of households living below the poverty level. The portion of refinance loans to moderate-income borrowers exceeded the percentage of moderate-income families in the AA and was excellent. The market share of low-income borrowers exceeded the bank's overall market share and was excellent. The market share of moderate-income borrowers was slightly lower than the bank's overall market share and was good.

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.

Borrower distribution of small loans to businesses in the Rochester and Buffalo AAs was excellent.

In Buffalo, the percentage of small loans to businesses exceeded the percentage of small businesses and was excellent. The bank's market share of small loans to businesses also exceeded its overall market share and reflected excellent performance. The bank made a majority of its small loans to businesses in amounts below \$100,000.

In Rochester, the percentage of small loans to businesses substantially met the percentage of small businesses and was excellent. The bank's market share of small loans to businesses also exceeded its overall market share and reflected excellent performance. The bank made a majority of its small loans to businesses in amounts below \$100,000.

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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

RBSC originated \$1.3 million in CD loans in the Buffalo AA. The majority of the CD loans in Buffalo supported community services. The adequate volume of CD lending in Buffalo had a neutral impact on the evaluation of lending performance in this AA. These loans showed good responsiveness to the credit needs of the AA.

RBSC's excellent volume of CD lending in the Rochester AA had a positive impact on the evaluation of its lending performance in this AA. RBSC originated \$21 million in qualified CD loans in the Rochester AA during the evaluation period and showed good responsiveness to the credit needs of the Rochester AA. Approximately, \$14 million of the CD loans supported affordable housing and the remaining \$7 million supported community services such as job training, daycare for low- and moderate-income families and supporting food banks.

Product Innovation and Flexibility

RBSC offered a standard product mix of loans including FHA loans and FNMA affordable housing loans. In addition, RBSC offered several loan programs of its own targeted to low- and moderate-income borrowers, which showed excellent product flexibility. RBSC originated 1,446 loans totaling \$8.2 million under its EZ Home Improvement Loan Program in New York. This program offers loans of less than \$1,000 at one percent and loans of up to \$10,000 at six percent for low- and moderate-income borrowers. The bank also offers a Winterization Loan Program in New York that provides low interest loans to low- and moderate-income borrowers to make home improvements that aid in heating cost reduction. The bank made 807 of these loans totaling \$5.7 million during the evaluation period. The Neighborhood Plus loan program offers below market rate loans to low- and moderate income borrowers as well. The bank made 237 Neighborhood Plus loans totaling \$20.3 million during the examination period. The bank made 130 loans totaling \$4.3 million to low- and moderate-income borrowers through its Destination Home program. These flexible product offerings had a positive influence on the bank's lending test performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending test in the Albany AA is not inconsistent with the bank's overall Outstanding performance under the Lending test in New York. In the Syracuse AA and combined non-metropolitan AA, the bank's performance is weaker than the bank's overall performance due to weaker borrower and geographic distribution. In the Elmira AA, Glens Falls AA and Ithaca AA, the bank's performance is weaker than the bank's overall performance due to weaker geographic distribution. In the Kingston AA and New York AA, the bank's performance is weaker than the bank's overall performance due to weaker borrower distribution. In the Binghamton AA, Poughkeepsie AA and Utica AA the bank's performance is weaker than the bank's overall performance due to weaker lending volume. The weaker performance did not significantly impact the overall

Lending test performance as the AAs with Outstanding performance represent a majority of the bank's loans. Refer to Tables 1 through 11 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 is rated Outstanding. Based on a full-scope review, the bank's performance in the Buffalo AA is good and in the Rochester AA is excellent.

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.

During the evaluation period, RBSC made one investment totaling \$3.643 million in the Buffalo AA. The bank also made 41 grants totaling \$386 thousand. Performance in Buffalo was good.

During the evaluation period, RBSC made four investments totaling \$6.584 million in the Rochester AA. There were three prior period investments still outstanding totaling \$674 thousand in the Rochester AA. The bank also made 55 grants totaling \$443 thousand during the evaluation period. Performance in Rochester was excellent.

RBSC exhibited a low level of complexity and was not innovative in its qualified investments. A substantial majority of the investments were associated with affordable housing for low- and moderate-income individuals, which showed excellent responsiveness to the main identified need in the AAs. The grants were associated with affordable housing, economic development, and community services for low- and moderate-income individuals. The AAs had a reasonable number of investment opportunities based upon discussions with bank management and community contacts. The Buffalo AA and the Rochester AA are competitive with other large regionally and nationally active banks competing for qualified investments in this market.

In addition, we considered investments made at the larger statewide area that have the potential to benefit both AAs. These investments had a positive influence on the Investment test performance in the Buffalo and Rochester AAs. There were two prior period investments for \$1.05 million, six current period investments for \$12 million in the larger statewide area, which has the potential to benefit the full-scope AAs.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Investment test in the Elmira AA, New York AA, Poughkeepsie AA, and Syracuse AA is not inconsistent with the bank's overall Outstanding performance under the Investment test in New York. In the Albany AA, Binghamton AA, Glens Falls AA, Ithaca AA, Kingston AA, Utica AA and combined non-metropolitan AA the bank's performance is weaker than the bank's overall performance in the state due to a lower volume of investment activity. The bank's performance in the limited scope AAs with weaker performance did not significantly impact the overall Investment test

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

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service test in New York is rated Outstanding. Based on a full-scope review, the bank's performance in the Buffalo AA is good and in the Rochester AA is 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.

RBSC's delivery systems were accessible to individuals and geographies of different income levels in Buffalo. Access to branches in low-income areas was adequate and was good in moderate-income areas. In addition to the branches in low- and moderate-income areas, there are two branches in middle-income tracts that border moderate-income areas of the Buffalo AA. These border branches were a positive factor in our analysis.

RBSC's delivery systems were readily accessible to individuals and geographies of different income levels in the Rochester AA. Access to branches in low- and moderate-income areas was excellent. In addition to the branches in low- and moderate-income areas, there are nine branches in middle- and upper-income tracts that border low- and moderate-income areas in the Rochester AA. These border branches were a positive factor in our analysis of branch distribution.

The bank did not open or close and branches in low- or moderate-income areas over the course of the evaluation period in the Buffalo or Rochester AAs.

RBSC's hours and services offered throughout the Buffalo AA and the Rochester AA were good. Services offered and hours of operation were consistent across the branch network.

RBSC offered a variety of alternative delivery systems, which include full service ATMs and telephone banking including loan-by-phone services. On-line banking services included deposit applications, retail loan applications, home equity and mortgage loan applications, small business and commercial loan applications and bill payment services. We did not place significant weight on alternative delivery systems, as no data was available to determine the impact of these banking services on low- and moderate-income geographies and individuals.

RBSC offered an affordable checking account product that would be attractive to low- and moderate-income people. The account, which could be opened with as little as a \$25 initial deposit, featured no monthly maintenance fee and no minimum monthly balance. The bank also offers an interest-bearing checking account, which could be opened with as little as a \$50 initial deposit and features no monthly maintenance fees and no minimum monthly balance.

Community Development Services

RBSC's performance in providing CD services in the Buffalo and Rochester AAs was excellent and had a positive impact on the Service test performance. The CD services in both full scope AAs were responsive to local community development needs and the volume of services provided was excellent. Bank management was involved in community development programs that were targeted to low- and moderate-income individuals and geographies. These services involved providing credit counseling to low- and moderate-income individuals, financial literacy and small business seminars, and technical expertise to non-profit or government organizations. In Buffalo, 28 employees provided services to 35 community organizations. In Rochester, 37 employees provided services to 44 community organizations.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service test in the Albany AA, Binghamton AA, Ithaca AA, Poughkeepsie AA, Utica AA, and the combined non-metropolitan AA is not inconsistent with the bank's overall Outstanding performance under the Service test in New York. In the Elmira AA, Glens Falls AA, Kingston AA, New York AA, and the Syracuse AA the bank's performance is weaker than the bank's overall performance in the state due to weaker branch distribution in these AAs. The weaker performance in some limited scope AAs did not have a significant impact on the overall Service test rating. 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 Vermont

CRA Rating for Vermont:	Outstanding
The Lending test is rated:	Outstanding
The Investment test is rated:	High Satisfactory
The Service test is rated:	Outstanding

The major factors that support this rating include:

- An excellent volume of HMDA lending and excellent responsiveness to the credit needs of the AAs.
- A good distribution of loans among borrowers of different income levels.
- An excellent distribution of loans among geographies of different income levels.
- An excellent volume of community development loans, which has a positive impact on lending test performance.
- A good level of investments that reflects excellent responsiveness to the credit and community development needs of the AAs.
- Service delivery systems that were readily accessible to geographies and individuals of different income levels in the AAs.

Description of Institution's Operations in Vermont

RBSC had two AAs within the State of Vermont. They included the Burlington AA and the non-metropolitan AA. The Burlington AA included all tracts within the MSA. The non-metropolitan AA was comprised of Addison, Bennington, Rutland, Washington, Windham, and Windsor counties, which are contiguous. RBSC had 27 branches within the state, representing 10.8 percent of the bank's total branch network. Two branches were opened and three branches were closed in Vermont during the evaluation period.

As of June 30, 2007, the bank ranked 3rd in total state deposits with a 9.87 percent market share. RBSC's statewide deposits totaled \$980 million. Deposit competitors include Chittenden Trust Company, TD BankNorth, Merchants Bank, and KeyBank.

Based on deposits, Vermont was the second largest state rating area and accounted for approximately 8.7 percent of total bank deposits. During the evaluation period, RBSC originated 10.3 percent of its total HMDA and small loans to businesses in Vermont.

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

Scope of Evaluation in Vermont

We conducted a full-scope review of the non-metropolitan AA. This AA had 64.06 percent of the state's deposits and accounted for approximately 62.19 percent of the HMDA lending and 64.33 percent of the small loans to businesses in the state. The non-metropolitan AA had 74.07 percent of the state's branches. We based our ratings for the State of Vermont primarily on the results of our analysis of the AA selected for full-scope review due to the majority of deposits and loans located in this AA. Refer to the market profiles in Appendix C for detailed demographics and other performance context information for the full-scope AA.

We conducted a limited scope review of the Burlington AA.

We considered input received from community contacts. The three organizations contacted were involved primarily with affordable housing initiatives and job creation. They stated a primary need in the non-metropolitan AA was affordable housing programs including affordable mortgage loans and financial literacy. Another need is small business and micro-loans to aid in job creation. We considered these needs in our evaluation of RBSC's performance in the State of Vermont.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending test in Vermont is rated Outstanding. Based on a full-scope review, the bank's performance in the non-metropolitan AA is excellent.

There are no low-income geographies and only five moderate-income geographies in the six counties that comprise the full-scope assessment area. Due to the limited number of moderate-income geographies, we placed more weight on borrower distribution in our analysis of lending test performance.

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.

RBSC's overall lending activity in the full-scope AA is excellent. RBSC ranked 3rd for deposits with a 13.57 percent market share. Based upon 2006 aggregate HMDA data, RBSC ranked 9th in home purchase lending (1.56 percent market share) and 3rd in home improvement and refinance lending (1.45 and 4.58 percent market share) in the non-metropolitan AA. The bank ranked 10th in small business lending with a 1.65 percent market share.

In the full scope AA, the lending market shares are lower than the deposit market shares. There are twenty depository institutions in the AA, but 224 mortgage lenders. This strong competition was taken into consideration in assessing the lending volume performance. Five

of the small business lenders with higher market share are nationwide credit card issuers. This competition from credit card issuers was also considered in our lending volume analysis.

Distribution of Loans by Income Level of the Geography

The geographic distribution of home mortgage loans and small loans to businesses reflects excellent penetration throughout the full-scope AA geographies.

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 and purchases.

The overall geographic distribution of home purchase loans was good in the non-metropolitan AA. The overall geographic distribution of home improvement and refinance loans was excellent.

The portion of home purchase loans in moderate-income geographies exceeded the percentage of owner-occupied housing units and was excellent. The market share in moderate-income geographies was significantly lower than the overall market share and reflected poor performance.

The portion of home improvement loans in moderate-income geographies significantly exceeded the percentage of owner-occupied housing units and was excellent. The market share in moderate-income geographies significantly exceeded the overall market share and reflected similar excellent performance.

The portion of refinance loans made in moderate-income geographies exceeded the percentage of owner-occupied units and was excellent. The market share of refinance loans in moderate-income geographies exceeded the bank's overall market share and reflected excellent performance.

There were no multifamily home loans in the non-metropolitan 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 and 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 geographies exceeded the portion of businesses in those geographies and was excellent. Market share performance for moderate-income geographies also exceeded the bank's overall market share and was excellent.

Lending Gap Analysis

We evaluated the lending distribution in the non-metropolitan AA to determine if any unexplained conspicuous gaps existed. We used reports and maps to compare the geographies where loans were made to the geographies in the AA. We considered loan distributions, branch locations, competition, market conditions, and demographic information. No unexplained conspicuous gaps were identified.

Distribution of Loans by Income Level of the Borrower

The bank's distribution of loans was good among borrowers of different income levels. The distribution of loans among borrowers of different income levels in the non-metropolitan AA was good.

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.

Borrower distribution for home purchase lending was adequate. Borrower distribution for home improvement and refinance lending was good.

The portion of home purchase loans to low-income borrowers was significantly lower than the percentage of low-income families, but was considered poor even after analyzing the percentage of households living below the poverty level. The portion of home purchase loans to moderate-income borrowers was somewhat lower than the percentage of moderate-income families and was adequate. The market share of home purchase loans to low- and moderate-income borrowers was somewhat lower than the bank's overall market share and was adequate.

The portion of home improvement loans to low-income borrowers was significantly lower than the percentage of low-income families, and was considered excellent after analyzing the percentage of households living below the poverty level. The portion of home improvement loans to moderate-income borrowers was somewhat lower than the percentage of moderate-income families and was adequate. The market share of home improvement loans to low-income borrowers was slightly lower than the bank's overall market share and was good. The market share of home improvement loans to moderate-income borrowers was somewhat lower than the bank's overall market share and was adequate.

The portion of refinance loans to low-income borrowers was significantly lower than the percentage of low-income families, but was considered adequate after analyzing the percentage of households living below the poverty level. The portion of refinance loans to moderate-income borrowers was near to the percentage of moderate-income families in the AA and was good. The market share of low-income families exceeded the bank's overall market share and was excellent. The market share of moderate-income families was slightly lower than the bank's overall market share and was good.

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.

Borrower distribution of small loans to businesses in the non-metropolitan AA was excellent.

The percentage of small loans to businesses exceeded the percentage of small businesses and was excellent. The bank's market share of small loans to businesses also exceeded its overall market share and reflected excellent performance. The bank made a substantial majority of its small loans to businesses in amounts below \$100,000.

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 multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans.

RBSC's excellent level of CD lending had a very positive impact on the evaluation of its lending performance in the combined non-metropolitan AA. RBSC originated \$10.4MM in qualified CD loans in the AA during the evaluation period. All of these loans were responsive to the credit needs of the AA and were for affordable housing. The loans facilitated the creation of 75 affordable housing units.

Product Innovation and Flexibility

RBSC offered a standard product mix of loans including FHA loans and FNMA affordable housing loans. This lending had a neutral impact on the bank's performance for small loans to businesses.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Lending test in the Burlington AA is weaker than the bank's overall Outstanding performance under the Lending test in Vermont due to weaker borrower distribution. This weaker performance did not have a significant impact on the overall rating. Refer to Tables 1 through 11 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 High Satisfactory. Based on a full-scope review, the bank's performance in the non-metropolitan AA is good.

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.

During the evaluation period, RBSC made 21 grants totaling \$114 thousand in the non-metropolitan AA. RBSC also had one prior period investment still outstanding totaling \$774 thousand. A substantial majority of the investments were associated with affordable housing for low- and moderate-income people, which is responsive to an important need in the AA. RBSC exhibited a low level of complexity and was not innovative in its qualified investments. The non-metropolitan AA had a reasonable number of investment opportunities based upon discussions with bank management and community contacts. RBSC also made thirteen grants totaling 152 thousand and three investments totaling \$5 million in the larger statewide area that have the potential to benefit the bank's assessment areas. The bank also had \$2.7 million in prior period statewide investments still outstanding that had the potential to benefit the bank's assessment areas. These statewide investments positively influenced the bank's Investment Test performance.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Investment test in the Burlington AA is not inconsistent with the bank's overall High Satisfactory performance. Refer to 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 a full-scope review, the bank's performance in the non-metropolitan 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.

RBSC has an excellent distribution of delivery systems that are readily accessible to individuals and geographies of different income levels in the non-metropolitan AA. There are no low-income areas within the non-metropolitan AA. Access to branches in moderate-income geographies is excellent. In addition to the branches in moderate-income areas, there was one branch in a middle-income area that bordered a moderate-income tract in the AA. This border branch was a positive factor in our analysis of branch distribution.

RBSC's hours and services offered throughout the full-scope AA were good. The services offered and hours of operation of the branches were consistent across the branch network.

RBSC offered a variety of alternative delivery systems, which included full service ATMs and telephone banking including loan-by-phone services. On-line banking services included

deposit applications, retail loan applications, home equity and mortgage loan applications, small business and commercial loan applications and bill payment services. We did not place significant weight on alternative delivery systems, as no data was available to determine the impact of these banking services on low- and moderate-income geographies and individuals.

RBSC offered an affordable checking account product that would be attractive to low- and moderate-income people. The account, which could be opened with as little as a \$25 initial deposit, featured no monthly maintenance fee and no minimum monthly balance. The bank also offers an interest-bearing checking account, which could be opened with as little as a \$50 initial deposit and features no monthly maintenance fees and no minimum monthly balance. The bank also offers service fee free checking accounts to senior citizens and individuals on SSI disability.

Community Development Services

RBSC's performance in providing CD services in the non-metropolitan AA was adequate and had a neutral impact on the Service test performance. While CD services were responsive to local community development needs, the volume of services provided was moderate. Management was involved in community development programs that were targeted to low- and moderate-income individuals and moderate-income geographies. These services mostly involved providing counseling to small businesses and technical expertise to non-profit or government organizations.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service test in the Burlington AA is not inconsistent with the bank's overall Outstanding performance under the Service test in Vermont. Refer to Table 15 in the State of Vermont 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 non-metropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): (01/01/05 to 12/31/07) Investment and Service Tests and CD Loans: (05/13/05 to 12/31/07)	
Financial Institution	Products Reviewed	
RBS Citizens N.A. (RBSC) Providence, Rhode Island Affiliates: CCO Mortgage Company – Operating Subsidiary of Charter One Bank N.A. through 09/01/07	Home Purchase, Home Improvement and Refinance loans, Multifamily loans, small business loans, community development loans, investments and services.	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
New York Buffalo AA Rochester AA Albany AA Binghamton AA Elmira AA Glens Falls AA Ithaca AA Kingston AA New York AA Poughkeepsie AA Syracuse AA Utica AA Combined Non-metropolitan AA (Cayuga, Chautauqua, Chenango, Clinton, Columbia, Cortland, Delaware, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Lewis, Montgomery, Otsego, Schuyler, Seneca, Sullivan and Wyoming Counties)	Full Scope Full Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope	MSA 15380 MSA 40380 MSA 10580 MSA 13780 MSA 21300 MSA 24020 MSA 27060 MSA 28470 MSA 35644 MSA 39100 MSA 45060 MSA 46540 Non-metropolitan
Vermont Combined Non-metropolitan (Addison, Bennington, Rutland, Washington, Windham, and Windsor Counties) Burlington AA	Full-Scope Limited Scope	Non-metropolitan MSA 15540

Appendix B: Summary of State Ratings

RATINGS RBS Citizens N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
RBS Citizens N.A.	Outstanding	Outstanding	Outstanding	Outstanding
State:				
New York	Outstanding	Outstanding	Outstanding	Outstanding
Vermont	Outstanding	High Satisfactory	Outstanding	Outstanding

(*) The Lending test is weighted more heavily than the Investment and Service tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

State of New York Full-Scope Area

Buffalo MSA #15380

Demographic Information for Full-Scope Area: Buffalo MSA #15380						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	302	10.60	20.86	45.36	19.54	3.64
Population by Geography	1,170,111	8.78	16.45	47.62	26.35	0.81
Owner-Occupied Housing by Geography	310,174	4.34	13.17	51.87	30.61	0.00
Businesses by Geography	70,157	9.36	12.92	45.57	30.20	1.95
Farms by Geography	1,610	1.74	4.72	59.25	33.66	0.62
Family Distribution by Income Level	303,215	20.37	18.07	22.08	39.48	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	116,550	15.99	24.51	45.47	14.03	0.00
Median Family Income	\$49,149					
HUD Adjusted Median Family Income for 2006	\$58,300					
Households Below the Poverty Level	12.11%					
				Median Housing Value	\$84,957	
				Unemployment Rate	5.20%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, and 2006 HUD updated MFI.

The Buffalo AA consists of the entire Buffalo MSA. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and/or moderate-income geographies.

RBSC has 45 branches located within the Buffalo AA. As of June 30, 2007, 14.91 percent of RBSC's deposits within the state were derived from offices in this AA. During the evaluation period, 24.7 percent of the bank's HMDA and 25.9 percent of its small loans to businesses within the state were derived from this AA.

As of June 30, 2007, RBSC's deposits in the Buffalo AA totaled \$1.53 billion. Based on FDIC deposit market share data, RBSC was the fourth largest financial institution with respect to deposit market rank with 4.32 percent market share in the Buffalo AA. Competitors include HSBC, M&T, Keybank and Bank of America.

Buffalo is upstate New York's largest population center and the second largest city in the State of New York. The City of Buffalo contains the largest concentration of low- and moderate-income census tracts in the region, as well as some of the areas of greatest economic need. Buffalo has been under the authority of a state-appointed Fiscal Control Board since June 19, 2003.

The unemployment rate changed little between 2005 and 2007 falling from 5.3 percent in 2005 to 5.2 percent in 2007. The 2007 annual unemployment rate for New York was 4.7 percent and the annual national unemployment rate was 4.3 percent. The Buffalo MSA experienced resurgence in job growth as new hotel and casino jobs were created and the auto manufacturing buyouts abated. The job outlook is impacted by the AA's high exposure to the domestic auto manufacturing industry. The major industries are state and local government, financial services, education, and health and social services. Major employers include University of Buffalo, Kaleida Health, HSBC, M&T bank and Seneca Gaming Corporation.

Community contacts made during the evaluation period indicated that affordable housing programs including affordable mortgage loans, creation of affordable rental housing, financial literacy, and small business lending are significant credit needs for the Buffalo AA. The Buffalo AA had a reasonable number of community development lending, investment, and service opportunities based upon discussions with management and the community organizations contacted.

State of New York Full-Scope Area

Rochester MSA #40380

Demographic Information for Full-Scope Area: Rochester MSA #40380						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	253	15.02	17.79	43.08	22.13	1.98
Population by Geography	1,037,831	8.63	14.32	48.68	27.76	0.61
Owner-Occupied Housing by Geography	269,898	3.53	11.76	51.96	32.74	0.00
Businesses by Geography	65,088	9.35	14.50	46.33	29.70	0.11
Farms by Geography	2,340	1.37	6.62	65.26	26.75	0.00
Family Distribution by Income Level	263,806	19.78	18.27	22.85	39.10	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	100,384	15.85	20.37	48.19	15.58	0.00
Median Family Income	\$53,852					
HUD Adjusted Median Family Income for 2006	\$64,100					
Households Below the Poverty Level	9.61%					
				Median Housing Value	\$95,330	
				Unemployment Rate	4.40%	

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

Source: 2000 U.S. Census, and 2006 HUD updated MFI.

The Rochester AA consists of the entire Rochester MSA. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and/or moderate-income geographies.

RBSC has 39 branches located within the Rochester AA. As of June 30, 2007, 16.13 percent of RBSC's deposits within the state were derived from offices in this AA. During the evaluation period, 18.1 percent of the bank's HMDA and 21.3 percent of its small loans to businesses within the state were derived from this AA. RBSC is a retail bank with a primary focus on mortgage and consumer lending.

As of June 30, 2007, RBSC's deposits in the Rochester AA totaled \$1.65 billion. Based on FDIC deposit market share data, RBSC was the fourth largest financial institution with respect to deposit market rank with 12.99 percent market share in the Rochester AA. Competitors include HSBC, M&T, Chase, and Keybank.

The unemployment rate rose from 4.6 percent in 2005 to 4.8 percent in 2007. The 2007 annual unemployment rate for New York was 4.7 percent and the annual national unemployment rate was 4.3 percent. The major industries are state and local government, education, and health and social services. Major employers include University of Rochester, Bausch and Lomb, Eastman Kodak, Wegmans Food Markets and Xerox.

Community contacts made during the evaluation period indicated that affordable housing, including affordable housing loans, affordable rental housing, financial literacy and small business lending are significant credit needs for the Rochester AA. The Rochester AA had a

reasonable number of community development lending, investment, and service opportunities based upon discussions with management and the community organizations contacted.

State of Vermont Full-Scope Area

Non-metropolitan AA

Demographic Information for Full-Scope Area: Non-metropolitan Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	96	0.00	5.21	78.13	16.67	0.00
Population by Geography	296,041	0.00	6.79	77.19	16.01	0.00
Owner-Occupied Housing by Geography	84,285	0.00	4.86	77.66	17.48	0.00
Businesses by Geography	29,743	0.00	8.18	71.65	20.17	0.00
Farms by Geography	1,266	0.00	2.61	81.91	15.48	0.00
Family Distribution by Income Level	78,406	16.59	18.38	24.50	40.53	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	27,419	0.00	9.42	78.98	11.60	0.00
Median Family Income	\$46,084					
HUD Adjusted Median Family Income for 2006	\$58,900					
Households Below the Poverty Level	10.16%					
				Median Housing Value	\$115,847	
				Unemployment Rate	3.7%	

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

Source: 2000 U.S. Census, and 2006 HUD updated MFI.

The Non-metropolitan AA consists of Addison, Bennington, Rutland, Washington, Windham and Windsor Counties. The counties are located in the southern half of the state, are contiguous, and the AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- and/or moderate-income geographies.

RBSC has 20 branches located within the non-metropolitan AA. As of June 30, 2007, 64.06 percent of RBSC's deposits within the state were derived from offices in this AA. During the evaluation period, 62.2 percent of the bank's HMDA and 64.3 percent of its small loans to businesses within the state were derived from this AA. RBSC is a retail bank with a primary focus on mortgage and consumer lending.

As of June 30, 2007, RBSC's deposits in the non-metropolitan AA totaled \$628 million. Based on FDIC deposit market share data, RBSC was the third largest financial institution with respect to deposit market rank with 13.57 percent market share in the AA. Competitors include Chittenden Trust Company, TD Banknorth, and Merchants Bank.

The unemployment rate rose from 3.3 percent in 2005 to 3.7 percent in 2007. The 2007 annual unemployment rate for Vermont was 3.6 percent and the annual national unemployment rate was 4.3 percent. Although unemployment is low, the non-metropolitan AA has lost many of the higher paying manufacturing jobs and the replacement positions are lower paying service industry jobs.

The non-metropolitan AA is primary rural with the majority of the population residing in small towns. Major industries consist of retail trade, health care and manufacturing. A large portion of the economy is dependent upon tourism. Major employers include IBM, University of Vermont, and the State of Vermont.

Community contacts made during the evaluation period indicated that affordable housing, including affordable housing loans, financial literacy and small business loans to aid in job creation are significant credit needs for the non-metropolitan Vermont AA. The AA had a moderate number of community development lending, investment, and service opportunities based upon discussions with management and the community organizations contacted.

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. Refer to Interagency Q&As __.12(i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. When such loans exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the “Community Development Loans” column with the appropriate caption, such as: “Statewide/Regional,” “Statewide/Regional with potential benefit to one or more AAs” or “Out of Assessment Area.” “Out of Assessment Area” is used ONLY if the bank has otherwise adequately met the CD lending needs of its assessment area.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.

- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Home Mortgage 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. When such investments exist, insert a line item in the MA/Assessment Area column and record the corresponding numbers and amounts in the "Qualified Investments" column with the appropriate caption, such as: "Statewide/Regional," "Statewide/Regional with potential benefit to one or more AAs" or "Out of Assessment Area." "Out of the Assessment Area" is used ONLY if the bank has otherwise adequately met the qualified investment needs of its assessment area.

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

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW YORK						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Buffalo MSA	24.99	5,579	310,774	1,788	97,932	0	0	5	1,330	7,372	410,036	14.91
Rochester MSA	18.84	4,089	253,263	1,466	76,768	0	0	13	21,070	5,568	351,101	16.13
Limited Review:												
Albany MSA	15.75	3,661	372,077	981	99,375	0	0	8	38,539	4,650	509,991	38.99
Binghamton MSA	3.12	675	21,928	246	8,891	0	0	0	0	921	30,819	1.95
Elmira MSA	0.12	29	1,203	6	331	0	0	0	0	35	1,534	.10
Glens Falls MSA	3.04	730	59,738	167	8,130	0	0	0	0	897	67,868	2.14
Ithaca MSA	0.55	124	5,077	37	3,151	0	0	0	0	161	8,228	.35
Kingston MSA	1.92	437	41,034	128	3,669	0	0	0	0	565	44,703	2.32
New York MSA	3.51	759	150,176	276	26,805	0	0	14	26,620	1,049	203,601	2.45
Non Metro AA	12.09	2,945	212,214	620	38,560	0	0	5	27,340	3,570	278,114	8.00
Poughkeepsie MSA	6.19	1,450	178,194	374	20,631	0	0	0	0	1,824	198,825	7.71
Syracuse MSA	6.47	1,267	72,601	641	60,719	0	0	8	49,450	1,916	182,770	2.68
Utica MSA	3.41	837	27,986	168	8,540	0	0	0	0	1,005	36,526	2.28

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

** The evaluation period for Community Development Loans is from January 01, 2007 to December 31, 2007.

*** Deposit Data as of March 11, 2008. 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, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Buffalo MSA	1,399	22.89	4.34	2.50	13.17	12.65	51.87	45.25	30.61	39.60	2.05	3.98	2.28	2.05	1.82	
Rochester MSA	1,217	19.91	3.53	2.88	11.76	17.67	51.96	43.06	32.74	36.40	1.51	1.68	2.12	1.32	1.51	
Limited Review:																
Albany MSA	1,296	21.20	2.78	3.40	13.35	8.87	53.66	49.07	30.21	38.66	1.77	1.05	1.27	1.75	2.30	
Binghamton MSA	60	0.98	0.97	0.00	9.07	26.67	61.79	38.33	28.17	35.00	0.63	0.00	1.44	0.41	0.65	
Elmira MSA	6	0.10	0.44	0.00	9.73	0.00	63.37	33.33	26.45	66.67	0.15	0.00	0.00	0.13	0.24	
Glens Falls MSA	218	3.57	0.00	0.00	7.87	7.80	76.58	70.18	15.56	22.02	3.82	0.00	3.57	3.91	3.55	
Ithaca MSA	14	0.23	0.00	0.00	6.41	7.14	82.16	78.57	11.43	14.29	0.51	0.00	0.00	0.68	0.00	
Kingston MSA	74	1.21	0.00	0.00	8.34	8.11	76.90	70.27	14.76	21.62	0.70	0.00	0.73	0.60	1.21	
New York MSA	250	4.09	0.36	0.40	7.15	8.40	28.32	22.80	64.18	68.40	0.03	0.00	0.01	0.00	0.07	
Non Metro AA	749	12.25	0.11	0.00	3.97	2.00	82.81	82.24	13.11	15.75	1.73	0.00	1.00	1.76	1.86	
Poughkeepsie MSA	395	6.46	2.07	4.81	8.38	16.20	66.59	61.01	22.96	17.97	0.92	0.83	1.31	0.94	0.62	
Syracuse MSA	290	4.74	2.90	0.69	8.95	4.48	51.25	44.48	36.91	50.34	0.66	0.48	0.41	0.57	0.86	
Utica MSA	145	2.37	2.64	6.21	9.37	25.52	65.33	51.72	22.66	16.55	0.79	3.03	1.21	0.69	0.65	

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ... Units	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Buffalo MSA	2,030	25.07	4.34	4.04	13.17	17.29	51.87	48.47	30.61	30.20	19.76	17.37	24.27	17.06	22.77	
Rochester MSA	1,248	15.42	3.53	6.41	11.76	17.87	51.96	48.56	32.74	27.16	11.19	20.32	15.75	8.72	13.03	
Limited Review:																
Albany MSA	1,095	13.53	2.78	2.83	13.35	10.41	53.66	51.32	30.21	35.43	12.79	12.50	9.70	11.56	16.96	
Binghamton MSA	430	5.31	0.97	1.40	9.07	23.02	61.79	53.72	28.17	21.86	14.83	14.81	30.57	13.52	11.70	
Elmira MSA	15	0.19	0.44	0.00	9.73	6.67	63.37	80.00	26.45	13.33	1.12	0.00	1.79	1.20	0.69	
Glens Falls MSA	258	3.19	0.00	0.00	7.87	9.69	76.58	73.26	15.56	17.05	11.01	0.00	11.01	10.21	15.06	
Ithaca MSA	73	0.90	0.00	0.00	6.41	12.33	82.16	80.82	11.43	6.85	6.56	0.00	14.29	6.15	3.57	
Kingston MSA	141	1.74	0.00	0.00	8.34	8.51	76.90	72.34	14.76	19.15	5.64	0.00	4.76	5.79	5.52	
New York MSA	156	1.93	0.36	0.64	7.15	1.92	28.32	12.18	64.18	85.26	0.74	0.00	0.13	0.40	1.01	
Non Metro AA	1,058	13.07	0.11	0.09	3.97	2.27	82.81	88.47	13.11	9.17	6.98	0.00	4.62	7.40	4.76	
Poughkeepsie MSA	429	5.30	2.07	0.93	8.38	12.59	66.59	72.49	22.96	13.99	4.74	3.26	5.98	5.04	3.36	
Syracuse MSA	621	7.67	2.90	3.70	8.95	13.85	51.25	55.72	36.91	26.73	10.32	18.57	17.67	10.78	7.22	
Utica MSA	542	6.69	2.64	18.08	9.37	31.00	65.33	40.96	22.66	9.96	13.87	57.14	38.71	8.47	5.96	

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ... Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Buffalo MSA	2,149	25.69	4.34	0.98	13.17	7.54	51.87	48.16	30.61	43.32	8.07	2.93	5.35	7.25	10.61	
Rochester MSA	1,623	19.40	3.53	2.65	11.76	7.52	51.96	46.70	32.74	43.13	6.06	4.21	3.99	5.21	8.44	
Limited Review:																
Albany MSA	1,269	15.17	2.78	1.50	13.35	8.43	53.66	49.57	30.21	40.50	3.33	1.00	1.36	3.04	5.50	
Binghamton MSA	185	2.21	0.97	1.08	9.07	11.35	61.79	51.35	28.17	36.22	3.53	5.26	5.28	2.97	4.20	
Elmira MSA	8	0.10	0.44	0.00	9.73	0.00	63.37	50.00	26.45	50.00	0.46	0.00	0.00	0.46	0.63	
Glens Falls MSA	254	3.04	0.00	0.00	7.87	6.69	76.58	77.56	15.56	15.75	3.81	0.00	1.67	3.99	4.27	
Ithaca MSA	37	0.44	0.00	0.00	6.41	2.70	82.16	91.89	11.43	5.41	2.32	0.00	0.00	2.63	1.35	
Kingston MSA	222	2.65	0.00	0.00	8.34	9.46	76.90	75.23	14.76	15.32	2.32	0.00	2.64	2.21	2.67	
New York MSA	352	4.21	0.36	0.57	7.15	3.69	28.32	16.76	64.18	78.98	0.12	0.00	0.03	0.05	0.19	
Non Metro AA	1,137	13.59	0.11	0.00	3.97	2.20	82.81	85.22	13.11	12.58	3.12	0.00	1.81	3.34	2.30	
Poughkeepsie MSA	626	7.48	2.07	2.88	8.38	10.06	66.59	69.81	22.96	17.25	1.60	0.80	1.29	1.79	1.34	
Syracuse MSA	354	4.23	2.90	1.13	8.95	6.21	51.25	53.39	36.91	39.27	2.23	0.90	1.62	2.56	2.05	
Utica MSA	150	1.79	2.64	1.33	9.37	6.00	65.33	67.33	22.66	25.33	1.54	2.94	1.15	1.66	1.18	

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY			Geography: NEW YORK				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overa ll	Low	Mod	Mid	Upp	
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans						
Full Review:																
Buffalo MSA	0	0.00	18.07	0.00	14.71	0.00	43.80	0.00	23.42	0.00	0.00	0.00	0.00	0.00	0.00	
Rochester MSA	1	16.67	15.95	100.00	19.52	0.00	42.90	0.00	21.64	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
Albany MSA	1	16.67	18.98	0.00	14.82	0.00	46.89	100.00	19.32	0.00	1.02	0.00	0.00	2.27	0.00	
Binghamton MSA	0	0.00	17.36	0.00	37.04	0.00	30.23	0.00	15.37	0.00	0.00	0.00	0.00	0.00	0.00	
Elmira MSA	0	0.00	24.68	0.00	31.06	0.00	36.68	0.00	7.58	0.00	0.00	0.00	0.00	0.00	0.00	
Glens Falls MSA	0	0.00	0.00	0.00	29.96	0.00	38.04	0.00	32.00	0.00	0.00	0.00	0.00	0.00	0.00	
Ithaca MSA	0	0.00	0.00	0.00	39.70	0.00	42.66	0.00	17.64	0.00	0.00	0.00	0.00	0.00	0.00	
Kingston MSA	0	0.00	0.00	0.00	30.39	0.00	63.99	0.00	5.62	0.00	0.00	0.00	0.00	0.00	0.00	
New York MSA	1	16.67	3.20	0.00	30.07	0.00	41.47	0.00	25.26	100.00	0.00	0.00	0.00	0.00	0.00	
Non Metro AA	1	16.67	2.60	0.00	13.12	0.00	76.72	100.00	7.56	0.00	1.09	0.00	0.00	1.33	0.00	
Poughkeepsie MSA	0	0.00	15.63	0.00	20.85	0.00	59.37	0.00	4.16	0.00	0.00	0.00	0.00	0.00	0.00	
Syracuse MSA	2	33.33	28.61	50.00	21.53	0.00	32.28	0.00	17.59	50.00	0.00	0.00	0.00	0.00	0.00	
Utica MSA	0	0.00	22.57	0.00	25.82	0.00	38.62	0.00	12.99	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: NEW YORK						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Buffalo MSA	1,788	25.92	9.31	4.03	13.03	10.57	45.89	50.45	29.96	34.96	1.75	0.86	1.90	1.94	1.74
Rochester MSA	1,466	21.26	9.28	8.32	14.50	13.03	46.46	46.25	29.65	32.40	1.45	1.84	1.45	1.54	1.31
Limited Review:															
Albany MSA	981	14.22	11.82	8.05	13.66	11.31	48.76	44.34	25.75	36.29	1.14	1.22	0.73	1.00	1.44
Binghamton MSA	246	3.57	8.41	6.10	16.48	25.20	53.44	37.80	21.67	30.89	1.16	0.39	1.89	0.97	1.35
Elmira MSA	6	0.09	12.53	0.00	16.51	16.67	46.76	66.67	24.16	16.67	0.10	0.00	0.39	0.10	0.00
Glens Falls MSA	167	2.42	0.00	0.00	11.96	9.58	68.59	76.05	19.45	14.37	1.45	0.00	1.28	1.25	0.95
Ithaca MSA	37	0.54	0.00	0.00	25.89	21.62	61.99	70.27	12.12	8.11	0.40	0.00	0.66	0.31	0.33
Kingston MSA	128	1.86	0.00	0.00	11.42	7.81	75.07	75.78	13.52	16.41	0.48	0.00	0.00	0.53	0.35
New York MSA	276	4.00	1.20	11.59	15.98	9.42	29.26	26.09	53.05	52.90	0.06	0.57	0.07	0.06	0.04
Non Metro AA	619	8.97	1.09	0.16	6.60	3.07	80.40	87.40	11.86	9.37	0.71	0.00	0.30	0.76	0.39
Poughkeepsie MS	374	5.42	7.51	4.55	12.39	11.50	61.35	67.11	18.74	16.84	0.39	0.40	0.51	0.38	0.36
Syracuse MSA	641	9.29	15.26	10.14	9.78	11.54	45.76	53.67	29.20	24.65	1.17	1.08	1.32	1.31	0.94
Utica MSA	168	2.44	9.32	13.10	12.62	14.29	58.40	56.55	19.65	16.07	0.57	0.80	0.77	0.49	0.62

* Based on 2006 Peer Small Business Data -- US and PR

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

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

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: NEW YORK						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Buffalo MSA	1,399	22.89	20.37	14.37	18.07	24.71	22.08	24.49	39.48	36.44	2.43	4.73	2.38	2.34	1.94
Rochester MSA	1,217	19.91	19.78	17.92	18.27	24.43	22.85	25.11	39.10	32.54	1.75	3.48	2.10	1.16	1.32
Limited Review:															
Albany MSA	1,296	21.20	19.23	5.92	18.71	17.67	23.17	23.90	38.88	52.52	2.07	2.32	1.77	1.76	2.41
Binghamton MSA	60	0.98	18.72	20.69	19.02	17.24	23.21	17.24	39.04	44.83	0.73	1.99	0.36	0.52	0.83
Elmira MSA	6	0.10	18.47	20.00	18.72	0.00	23.44	40.00	39.37	40.00	0.18	0.00	0.00	0.33	0.21
Glens Falls MSA	218	3.57	17.50	4.29	19.41	20.48	24.45	30.48	38.65	44.76	4.29	2.53	4.68	6.28	3.23
Ithaca MSA	14	0.23	19.53	7.69	17.96	15.38	23.38	46.15	39.13	30.77	0.55	1.00	0.00	0.63	0.73
Kingston MSA	74	1.21	19.23	4.48	18.20	11.94	23.74	20.90	38.83	62.69	0.86	0.00	0.93	0.76	0.92
New York MSA	250	4.09	18.23	1.16	14.37	2.33	17.80	4.65	49.61	91.86	0.04	0.00	0.00	0.03	0.04
Non Metro AA	749	12.25	17.89	4.40	18.72	13.34	23.03	27.51	40.36	54.75	2.03	2.51	1.32	2.06	2.22
Poughkeepsie MSA	395	6.46	19.14	7.32	18.04	24.93	24.40	28.18	38.41	39.57	1.10	2.33	2.01	1.06	0.85
Syracuse MSA	290	4.74	19.49	5.76	17.65	16.91	21.50	21.94	41.36	55.40	0.76	0.56	0.65	0.52	1.04
Utica MSA	145	2.37	19.89	24.46	18.20	25.90	23.06	28.06	38.84	21.58	0.90	0.94	0.85	1.01	0.84

* Based on 2006 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 5.9% of loans originated and purchased by bank.

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

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

***** 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, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families*	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Buffalo MSA	2,031	25.08	20.37	16.78	18.07	33.25	22.08	21.51	39.48	28.46	21.18	24.42	25.64	16.52	20.59
Rochester MSA	1,248	15.41	19.78	21.10	18.27	33.52	22.85	21.91	39.10	23.47	11.46	15.38	13.50	8.83	9.43
Limited Review:															
Albany MSA	1,095	13.52	19.23	9.30	18.71	24.72	23.17	22.93	38.88	43.05	13.02	11.83	12.94	9.80	16.05
Binghamton MSA	430	5.31	18.72	28.47	19.02	44.04	23.21	11.68	39.04	15.82	14.88	32.39	24.81	5.44	6.45
Elmira MSA	15	0.19	18.47	21.43	18.72	42.86	23.44	14.29	39.37	21.43	1.00	2.50	0.68	1.18	0.49
Glens Falls MSA	258	3.19	17.50	9.02	19.41	27.06	24.45	26.27	38.65	37.65	11.42	9.64	14.63	10.74	10.43
Ithaca MSA	73	0.90	19.53	21.92	17.96	45.21	23.38	13.70	39.13	19.18	6.72	17.31	13.95	1.54	2.56
Kingston MSA	141	1.74	19.23	9.93	18.20	17.73	23.74	27.66	38.83	44.68	6.13	4.11	6.06	7.59	5.54
New York MSA	156	1.93	18.23	2.56	14.37	10.26	17.80	14.10	49.61	73.08	0.83	1.27	0.83	0.70	0.84
Non Metro AA	1,058	13.07	17.89	14.86	18.72	25.41	23.03	19.75	40.36	39.98	7.23	9.13	8.46	5.29	7.50
Poughkeepsie MSA	429	5.30	19.14	12.95	18.04	27.10	24.40	24.22	38.41	35.73	5.00	9.30	6.65	4.04	4.43
Syracuse MSA	621	7.67	19.49	17.46	17.65	41.85	21.50	17.96	41.36	22.73	10.41	16.05	18.67	6.57	6.16
Utica MSA	542	6.69	19.89	23.28	18.20	42.46	23.06	22.91	38.84	11.36	14.21	25.48	24.86	11.46	4.26

* Based on 2006 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 2.1% of loans originated and purchased by bank.

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

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

***** 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, 2005 TO DECEMBER 31, 2007					Market Share				
MA/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*	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**						
Full Review:																
Buffalo MSA	2,149	25.69	20.37	6.80	18.07	19.68	22.08	28.71	39.48	44.82	9.68	7.80	8.26	8.94	11.39	
Rochester MSA	1,623	19.40	19.78	10.32	18.27	21.96	22.85	28.35	39.10	39.37	7.03	7.23	6.49	6.77	7.56	
Limited Review:																
Albany MSA	1,269	15.17	19.23	6.37	18.71	20.08	23.17	27.10	38.88	46.45	3.87	3.38	3.07	3.32	4.93	
Binghamton MSA	185	2.21	18.72	9.09	19.02	21.59	23.21	22.73	39.04	46.59	3.99	3.98	3.90	3.78	4.18	
Elmira MSA	8	0.10	18.47	12.50	18.72	25.00	23.44	25.00	39.37	37.50	0.54	1.01	1.05	0.39	0.26	
Glens Falls MSA	254	3.04	17.50	6.07	19.41	17.00	24.45	34.01	38.65	42.91	4.50	3.97	3.60	4.55	4.92	
Ithaca MSA	37	0.44	19.53	16.22	17.96	18.92	23.38	32.43	39.13	32.43	2.60	4.17	1.67	3.39	2.19	
Kingston MSA	222	2.65	19.23	4.19	18.20	15.81	23.74	26.51	38.83	53.49	2.90	2.20	2.60	2.08	3.61	
New York MSA	352	4.21	18.23	0.97	14.37	5.80	17.80	16.43	49.61	76.81	0.15	0.16	0.23	0.10	0.16	
Non Metro AA	1,137	13.59	17.89	3.87	18.72	14.94	23.03	27.09	40.36	54.10	3.71	2.25	2.63	3.31	4.45	
Poughkeepsie MSA	626	7.48	19.14	6.10	18.04	23.05	24.40	31.02	38.41	39.83	1.94	2.60	2.12	1.78	1.91	
Syracuse MSA	354	4.23	19.49	5.46	17.65	18.68	21.50	24.71	41.36	51.15	2.68	2.58	2.75	2.05	3.08	
Utica MSA	150	1.79	19.89	4.83	18.20	11.03	23.06	39.31	38.84	44.83	1.74	0.43	1.62	1.95	1.89	

* Based on 2006 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 4.5% of loans originated and purchased by bank.

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

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

***** 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, 2005 TO DECEMBER 31, 2007			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Buffalo MSA	1,788	25.92	63.12	70.97	91.00	3.86	5.15	1.75	3.40
Rochester MSA	1,466	21.25	64.27	63.30	91.34	3.27	5.39	1.45	2.65
Limited Review:									
Albany MSA	981	14.22	62.41	53.62	81.14	7.03	11.82	1.14	1.97
Binghamton MSA	246	3.57	62.24	60.98	95.12	2.03	2.85	1.16	2.11
Elmira MSA	6	0.09	59.06	50.00	83.33	16.67	0.00	0.10	0.30
Glens Falls MSA	167	2.42	61.03	59.28	89.82	5.99	4.19	1.45	2.34
Ithaca MSA	37	0.54	60.17	56.76	89.19	5.41	5.41	0.40	0.63
Kingston MSA	128	1.86	68.68	64.84	98.44	0.00	1.56	0.48	0.83
New York MSA	276	4.00	70.96	65.94	89.13	2.90	7.97	0.06	0.15
Non Metro AA	620	8.99	58.83	55.65	87.74	6.13	6.13	0.71	1.07
Poughkeepsie MSA	374	5.42	68.30	60.70	90.64	3.21	6.15	0.39	0.87
Syracuse MSA	641	9.29	64.03	53.35	82.68	5.46	11.86	1.17	1.93
Utica MSA	168	2.44	58.92	66.07	93.45	3.57	2.98	0.57	1.09

* Based on 2006 Peer Small Business Data -- US and PR

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

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

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 23.51% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: NEW YORK									
Evaluation Period: MAY 13, 2005 TO DECEMBER 31, 2007									
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Buffalo MSA	0	0	42	4,029	42	4,029	7.46	0	0
Rochester MSA	3	674	59	7,027	62	7,701	14.25	0	0
Limited Review:									
Albany MSA	3	463	46	6,021	49	6,484	12.00	0	0
Binghamton MSA	0	0	4	214	4	214	.40	0	0
Elmira MSA	0	0	3	82	3	82	.15	0	0
Glens Falls MSA	0	0	2	681	2	681	1.26	0	0
Ithaca MSA	0	0	5	22	5	22	.04	0	0
Kingston MSA	0	0	2	998	2	998	1.85	0	0
New York MSA	0	0	10	10,861	10	10,861	20.10	0	0
Non Metro AA	0	0	3	2,357	3	2,357	4.36	0	0
Poughkeepsie MSA	0	0	12	5,073	12	5,073	9.39	0	0
Syracuse MSA	0	0	19	1,770	19	1,770	3.27	0	0
Utica MSA	0	0	9	714	9	714	1.32	0	0
Statewide Investments	2	1,054	6	11,994	8	13,048	24.15	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, 2005 TO DECEMBER 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Buffalo MSA	14.91	45	20.18	4.44	13.33	48.90	33.33	1	0	0	0	+1	0	8.78	16.45	47.62	26.35
Rochester MSA	16.13	39	17.49	10.26	12.82	43.59	33.33	5	1	0	0	+3	+1	8.63	14.32	48.68	27.76
Limited Review:																	
Albany MSA	38.99	33	14.80	15.15	9.09	33.33	42.43	2	0	0	+1	+1	0	7.34	16.25	50.39	25.85
Binghamton MSA	1.95	9	4.04	11.11	44.44	0.00	44.45	1	3	-1	+1	-2	0	2.83	14.70	56.37	26.10
Elmira MSA	.10	1	.45	0.00	0.00	0.00	100.00	0	0	0	0	0	0	2.98	15.65	57.50	21.84
Glens Falls MSA	2.14	6	2.69	0.00	0.00	50.00	50.00	1	1	0	0	0	0	0.00	10.39	74.77	14.84
Ithaca MSA	.35	3	1.35	0.00	66.77	0.00	33.33	1	0	0	+1	0	0	0.00	13.96	67.88	18.15
Kingston MSA	2.32	5	2.24	0.00	0.00	80.00	20.00	1	0	0	0	0	+1	0.00	11.46	75.10	13.44
New York MSA	2.45	15	6.73	0.00	6.67	53.33	40.00	10	0	0	0	+8	+2	1.65	18.75	34.67	44.90
Non Metro AA	8.00	26	11.65	0.00	11.54	84.62	3.84	0	1	0	0	0	-1	0.34	5.65	80.82	12.41
Poughkeepsie MSA	7.71	16	7.17	6.25	18.75	75.00	0.00	4	3	0	0	+1	0	7.18	11.97	62.07	18.75
Syracuse MSA	2.68	14	6.28	0.00	21.43	42.86	35.71	3	2	0	-1	+2	0	10.10	13.01	44.81	32.09
Utica MSA	2.28	6	2.69	16.67	33.33	50.00	0.00	0	3	0	-2	-1	0	5.95	13.31	60.65	20.07

Table 1. Lending Volume

LENDING VOLUME		Geography: VERMONT						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Non Metro AA	62.83	1,477	135,621	653	24,092	0	0	4	10,370	2,134	170,083	64.06
Limited Review:												
Burlington MSA	37.17	898	117,103	362	15,503	0	0	1	1,394	1,261	133,867	35.94

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

** The evaluation period for Community Development Loans is from January 01, 2007 to December 31, 2007.

*** Deposit Data as of March 10, 2008. 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, 2005 TO DECEMBER 31, 2007								
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Non Metro AA	246	48.05	0.00	0.00	4.86	5.28	77.66	78.46	17.48	16.26	1.57	0.00	0.83	1.67	1.43
Limited Review:															
Burlington MSA	266	51.95	0.39	0.38	9.35	5.64	59.20	53.76	31.06	40.23	1.34	0.00	0.22	1.19	2.01

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT			Geography: VERMONT				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Non Metro AA	474	69.00	0.00	0.00	4.86	7.81	77.66	76.37	17.48	15.82	11.57	0.00	19.74	11.26	10.88	
Limited Review:																
Burlington MSA	213	31.00	0.39	0.47	9.35	5.63	59.20	65.26	31.06	28.64	10.77	12.50	7.62	10.16	13.43	

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: VERMONT				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ... Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp	
Full Review:																
Non Metro AA	757	64.65	0.00	0.00	4.86	6.08	77.66	79.66	17.48	14.27	4.60	0.00	4.89	5.16	2.37	
Limited Review:																
Burlington MSA	414	35.35	0.39	0.24	9.35	7.00	59.20	54.83	31.06	37.92	3.34	0.00	2.00	3.20	4.24	

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: VERMONT						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Overa II	Low	Mod	Mid	Upp
Full Review:															
Non Metro AA	0	0.00	0.00	0.00	11.42	0.00	61.45	0.00	27.13	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Burlington MSA	5	100.00	6.06	0.00	21.98	20.00	53.47	40.00	18.48	40.00	1.64	0.00	0.00	0.00	12.50

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: VERMONT						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Non Metro AA	653	64.33	0.00	0.00	8.18	8.73	71.65	70.75	20.17	20.52	1.65	0.00	1.95	1.66	1.52
Limited Review:															
Burlington MSA	362	35.67	1.99	1.10	17.34	11.05	51.20	57.18	29.46	30.66	1.62	0.58	0.99	1.80	1.48

* Based on 2006 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 (2006).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: VERMONT						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Non Metro AA	246	48.05	16.59	2.74	18.38	15.07	24.50	24.20	40.53	57.99	1.84	1.12	1.41	1.72	2.06
Limited Review:															
Burlington MSA	266	51.95	17.35	4.53	19.34	16.05	24.71	27.98	38.60	51.44	1.63	0.87	0.67	1.50	2.38

* Based on 2006 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 9.8% of loans originated and purchased by bank.

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

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

***** 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 31, 2007		Geography: VERMONT								Evaluation Period: JANUARY 1, 2005 TO DECEMBER					
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families [*]	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	% Families [*]	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Non Metro AA	474	69.00	16.59	8.53	18.38	13.35	24.50	28.88	40.53	49.23	12.01	10.94	9.54	11.74	13.32
Limited Review:															
Burlington MSA	213	31.00	17.35	7.51	19.34	15.49	24.71	31.46	38.60	45.54	11.26	8.46	7.33	10.00	16.77

^{*} Based on 2006 Peer Mortgage Data (Eastern)

^{**} As a percentage of loans with borrower income information available. No information was available for 2.5% of loans originated and purchased by bank.

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

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

^{*} 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, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families*	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Non Metro AA	757	64.65	16.59	5.28	18.38	16.12	24.50	32.25	40.53	46.34	5.54	6.16	4.82	5.62	5.73
Limited Review:															
Burlington MSA	414	35.35	17.35	8.25	19.34	20.50	24.71	27.00	38.60	44.25	4.17	2.40	3.71	3.34	5.95

* Based on 2006 Peer Mortgage Data (Eastern)

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

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

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

***** 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, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Non Metro AA	653	64.33	62.14	71.98	95.71	2.30	1.99	1.65	3.10
Limited Review:									
Burlington MSA	362	35.67	60.18	66.57	94.48	2.21	3.31	1.62	2.83

* Based on 2006 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 - 2006).

**** 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 22.07% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: VERMONT				Evaluation Period: MAY 13, 2005 TO DECEMBER 31, 2007			
MA/Assessment Area:	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Non Metro AA	1	774	21	114	22	888	9.00	0	0
Limited Review:									
Burlington MSA	2	696	14	400	16	1096	1.13	0	0
Statewide Investments	5	2,732	16	5,152	21	7,884	79.87	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, 2005 TO DECEMBER 31, 2007																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Non Metro AA	64.06	20	74.07	0.00	20.00	65.00	15.00	2	2	0	+2	-2	0	0.00	6.79	77.19	16.01
Limited Review:																	
Burlington MSA	35.94	7	25.93	0.00	28.57	28.57	42.86	0	1	0	-1	0	0	1.56	12.15	59.14	27.15

Table 14. Qualified Investments - Regional

QUALIFIED INVESTMENTS		Geography: Regional				Evaluation Period: MAY 13, 2005 TO DECEMBER 31, 2007			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Regional Investments	0	0	4	4,105	4	4,105	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.