



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Community Bank, N. A.
Charter Number: 8531

45-49 Court St.
Canton, NY 13617

Office of the Comptroller of the Currency

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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

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

The following table indicates the performance level of **Community Bank, N.A.** with respect to the lending, investment, and service tests:

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

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

The major factors that support this rating include:

- Lending levels that reflect excellent responsiveness by CBNA to the credit needs of its assessment areas (AAs).
- A good distribution of loans among borrowers of different income levels throughout the AAs.
- A good distribution of loans among census tracts of different income levels throughout the AAs, along with an excellent ratio of loans originated inside the AAs.
- Community development lending that had some positive impact on the bank’s lending performance.
- Flexible lending products that had some positive impact on the bank’s lending performance.
- Investments that reflect a good responsiveness to the credit and community development needs of the AAs.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing community development services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

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

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

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan 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: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with

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

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

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

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

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

Description of Institution

Community Bank, N.A. (CBNA) is an inter-state bank headquartered in Canton, New York, and operating in New York State and Pennsylvania, where it operates as First Liberty Bank and Trust. CBNA is a wholly owned subsidiary of Community Bank Systems, Inc. (CBSI), a one-bank holding company. CBSI had total assets of \$6.5 billion as of December 31, 2011. CBSI's other subsidiaries include Benefit Plans Administrative Services, Inc., an employee benefits administration and consulting firm.

CBNA's operating subsidiaries include Community Investment Services, Inc. (CISI), which offers securities through INVEST Financial Corporation; Nottingham Advisors Inc., an investment management advisory firm; CBNA Insurance Agency, a full service property and casualty insurance company; Treasury Management Corporation (TMC), which provides treasury, cash management and investment services to the bank; CBNA Preferred Funding Corp; and First Liberty Service Corporation which provides banking related services to the Pennsylvania branches of the bank. CBNA's operating subsidiaries had no impact on the bank's capacity to lend in the AAs where it operates.

CBNA is one of the largest community banking franchises headquartered in Upstate New York. It is a full service interstate bank with 170 branches serving 40 counties spanning a wide range of Upstate New York and northeastern Pennsylvania. CBNA offers a wide range of financial services, with their primary focus on loans to consumers. In addition to traditional deposit and loan products, CBNA offers its customers insurance and investment products and trust services.

In 2008 CBNA acquired 18 branches from Citizens Financial Group in Northern NY. In 2011, CBNA acquired Wilber National Bank, adding 22 branches from Southern and Eastern NY to its franchise.

As of December 31, 2011, CBNA had \$6.5 billion in total assets that included \$3.4 billion in net loans, representing 52% of total assets. The bank's loan mix consists of 69% real estate loans, 20% loans to individuals, 10% commercial and industrial loans, and 1% agricultural loans. As of December 31, 2011, CBNA reported Tier 1 Capital of \$460 million.

CBNA operates in a competitive financial services market whose competitors include an array of consumer finance companies, large regional banks, credit unions, thrift institutions, mortgage companies, and community banks. CBNA is not subject to any known financial, legal or regulatory restrictions that would impede its ability to help meet the credit needs of its assessment area.

CBNA's last CRA exam was December 12, 2008, at which time the bank's performance was rated "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period covered January 1, 2008, through December 31, 2011, for Home Mortgage Disclosure Act (HMDA) loans, small business loans, and small farm loans. HMDA loans include home purchase, home improvement and home mortgage refinance loans. The evaluation period for Community Development (CD) loans, investments, and services is December 12, 2008, through March 11, 2012. This represents the time period between the start of the bank's last and current CRA exams. The market share and peer comparisons are based on the information contained in the aggregate HMDA and Small Business/Farm Registers for 2010.

The peer comparisons in this report include only lenders who were required to file HMDA and Small Business/Farm Reports for 2010. Most lenders with significant mortgage loan activity operating in CBNA's 15 AAs were required to file a HMDA report for 2010. Small business reporting for 2010 was required only of bank and thrift institutions with assets of \$1.122 billion or more as of December 31 of the prior two calendar years' preceding the reporting year.

Data Integrity

We performed a data integrity examination of the bank's HMDA and small business/small loan data by reviewing the bank's recent internal reviews of the data. The internal reviews were of sufficient scope and quality for us to place reliance on the results. We took our own sample of the bank's loan sample to validate the quality of the internal review work. We found the quality of the bank's data to be good, with no corrections of the submitted data required for this examination.

Selection of Areas for Full-Scope Review

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

Ratings

The bank's overall rating is a blend of the state ratings. In arriving at the overall rating, the greatest weight was given to New York State. Thirteen of the bank's 15 AAs are located in New York State along with a substantial majority of the bank's branches, loan and deposit activity.

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.

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

New York State

CRA Rating for New York State:

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: High Satisfactory

Summarize with bullet points the major factors supporting the institution's state rating. When evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs has been identified in the supervisory process, the conclusion must include a statement if the rating was influenced by this evidence. The conclusion should not mention any technical violations.

The major factors that support this rating include:

- Lending levels that reflect an excellent responsiveness to the credit needs of its assessment areas (AAs).
- A good distribution of loans among census tracts of different income levels throughout the AAs.
- A good distribution of loans among borrowers of different income levels throughout the AAs.
- Community development lending that had some positive impact on the bank's lending performance.
- Flexible lending products that had a positive impact on the bank's lending performance.
- Investments that reflect good responsiveness to the credit and community development needs of the AAs.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing community development services.

Description of Institution's Operations in New York State

CBNA has 13 AAs within New York State. They include the Northern Region Non-MSA, Southern Region Non-MSA, Central NY Region non MSA area, and portions of 10 MSAs – the Albany MSA, Binghamton MSA, Buffalo-Niagara MSA, Elmira MSA, Glens Falls MSA, Kingston MSA, Rochester MSA, Syracuse MSA, Ithaca MSA and the Utica-Rome MSA. CBNA has 144 branches within the state, which represents 85% of the bank's total branch network. The New York State represents 83% of CBNA's total deposits. As of June 30, 2011, the bank ranked 24th in New York State for deposit market share with 0.40% market share. During the evaluation period, CBNA originated 86% of its total HMDA, small business and small farm loans within New York State.

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

Scope of Evaluation in New York State

We conducted full-scope reviews of the Northern Region Non-MSA (Northern Region) and Southern Region Non-MSA (Southern Region) AAs, as these two areas combined represent 79% of the bank's total lending in the state, 65% of the total number of branches, and 64% of the total deposits. The Northern Region AA was weighted slightly more heavily, with it having a greater portion of the loans and deposits than the Southern Region, i.e., 40% vs 38% of the statewide lending activity, and 33.61% vs. 30.34% of the statewide deposits. The Southern Region has more branches with 34% of the statewide branches compared to 31% located in the Northern Region. Home mortgage lending was given the greatest weight when arriving at the bank's overall performance in lending based on the higher volume of home mortgage lending (69% of the number and 59% dollar volume of the overall lending activity). This was followed by small business loans (23%). Small farm loans received the least weight of the products (8%).

Of the home mortgage loan products, home improvement loans received the greatest weight, followed by home mortgage refinance loans and home purchase loans (equal ranking) and multi-family unit loans. Fifty-one percent of the New York State based loans were for home improvement. Twenty-five percent of loans were for home mortgage refinances, and 24% of loans for home purchase. Multi-family dwelling units represented one half percent or less of the bank's home mortgage lending activity in each full scope AA.

We made three community contacts in New York State. In the Northern Region AA, contacts were made with two nonprofit organizations with broad knowledge of the North Country area economic conditions, community development and credit needs. The contacts emphasized the need for small business financing, noting that financing had tightened up during the recent economic downturn. This includes financing for business startups. The need for services for lower income residents include safe affordable housing, especially rental housing, improvements to transportation, whether through public transportation or more affordable auto ownership, and mental and behavioral related services. The level of opportunities for community development loans, investments and services is good.

In the Southern Region, a contact was made with a nonprofit organization involved in community services for low-income residents. The organization is affiliated with another organization that provides services to small businesses, thus the contact was able to speak about small business concerns as well as the concern of lower income residents of the AA. The contact emphasized the need for better living wage job opportunities that can only be brought about by improving the employment situation of the area. Due to the high poverty rate in the area, there is a great need for support services for lower income people, especially the elderly. The level of opportunities for community development loans, investments and services is good.

The need for affordable housing and small business related credit, investments, and services in both AAs were considered in our evaluation of CBNA's performance in New York State under the Lending, Investment, and Service Tests. Refer to the Market Profile section in Appendix C for more information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New York State is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Northern Region AA was good and the Southern Region AA was excellent.

Lending Activity

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

CBNA's overall lending activity in the two full-scope AAs is excellent. CBNA's lending activity is excellent in the Southern Region AA. CBNA has the leading market share for deposits with a 22.30% market share as of June 30, 2011. Based on 2010 aggregate HMDA data, CBNA is the number one originator/purchaser of home improvement loans (46.49% market share), home purchase loans (11.73%) and refinance home mortgage refinance loans (14.18% market share). CBNA did not have any multi-dwelling loan activity in this AA in 2010. Based on 2010 CRA aggregate data, CBNA is the number four originator/purchaser of small loans to businesses (8.19% market share) and the number one originator/purchaser of small loans to farms (51.05% market share). CBNA ranked second (15.73% market share) in originating/purchasing small business loans to small size businesses (businesses with \$1 million or less in gross annual revenue).

CBNA's lending activity in the Northern Region AA is excellent. In the Northern Region, CBNA ranks first for deposits with a 24.96% market share. Based on 2010 aggregate HMDA data, CBNA ranked first for originator/purchaser of home purchase loans (13.09% market share), home mortgage refinance loans (14.18% market share), home improvement loans (70.90 market share) and multi-family dwelling loans (46.15). Based on 2010 CRA aggregate data, CBNA is ranked second as originator/purchaser of small loans to businesses (13.59% market share) and ranked first when only considering small loans to small size businesses with a

20.38% market share. The bank is the largest originator/purchaser of small loans to farms (72.04% market share).

Distribution of Loans by Income Level of the Geography

The geographic distribution of CBNA's home mortgage loans, small loans to businesses, and small loans to farms reflects overall good penetration throughout the full scope AA census tracts. Performance was good in both full scope AAs.

Home Mortgage Loans

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

The overall geographic distribution of home mortgage loans was good. The geographic distribution was good in both full scope AAs. The discussion of the geographic distribution of home mortgage loans that follows covers only moderate-income census tracts. There is no owner occupied housing in the one low-income census tract in the Northern AA and minimal owner occupied housing (.21%) located in the three low-income census tracts in the Southern Region AA. Although CBNA had home purchase and home improvement lending activity in low-income census tracts in the Southern AA, we did not believe a detailed discussion of this lending activity was of value.

The overall geographic distribution of home purchase loans was good. The portion of home purchase loans made in moderate-income census tracts was near to the portion of owner-occupied housing units in those census tracts in both the Southern and Northern Region AAs. CBNA's market share of home purchase loans originated in moderate-income census tracts in the Southern Region AA exceeded and in the Northern Region was somewhat lower than, its overall market share of home purchase loans in the AA.

The overall geographic distribution of home improvement loans was excellent. The portion of home improvement loans made in moderate-income census tracts exceeded the portion of owner-occupied housing units that are in those census tracts in both full scope AAs. CBNA's market share of home improvement loans originated in moderate-income census tracts exceeded the bank's overall market share of home improvement loans in both full scope AAs.

The overall geographic distribution of home mortgage refinance loans was good. In the Southern Region AA, the portion of home mortgage refinance loans made in moderate-income census tracts was somewhat lower than, and in the Northern Region AA near to, the portion of owner-occupied housing units in those census tracts. CBNA's market share of home mortgage refinance loans originated in moderate-income census tracts exceeded the overall market share in both full scope AAs.

The overall geographic distribution of multi-family dwelling loans was adequate. In the Southern Region AA, the portion of multi-family dwelling loans made in moderate-income census tracts was near to, and in low-income census tracts exceeded the portion of multi-

family dwelling units in those census tracts. In the Northern Region AA, the portion of multi-family dwelling loans made in moderate-income census tracts was lower than the portion of multi-family dwelling units in those census tracts. There were no multi family unit loans made in low-income census tracts where only .42% of the AA's multi-family units are located. In the Southern Region AA, CBNA did not have a market share ranking for multi-family loans for comparison. In the Northern Region AA, the bank's market share in low and moderate-income census tracts was significantly lower than its overall market share of multi-family dwelling loans. Multi-family dwelling loans represent a small portion of CBNA's mortgage lending, with only 10 of these loans made in the Southern Region AA and 39 in the Northern Region AA during the evaluation period.

Small Loans to Businesses

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

The geographic distribution of small loans to businesses was good. In the Southern Region AA, the portion of loans made in moderate-income census tracts exceeded and in low-income census tracts was somewhat lower than the portion of businesses that are within those census tracts. In the Northern Region AA, the portion of loans made in moderate-income census tracts was near to the portion of businesses in those census tracts. CBNA made no business loans in the one low-income census tract in the Northern Region AA, where only .09% of the AAs businesses are located. In the Southern Region AA, the bank's market share for small business loans in moderate-income census tracts exceeded and in low-income census tracts was somewhat lower than its overall market share for small loans to businesses. In the Northern Region AA, the bank's market share for small businesses located in moderate-income census tracts was somewhat lower than, and in low-income census tracts was significantly lower than, its overall market share for small business loans.

Small Loans to Farms

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

The geographic distribution of small loans to farms was adequate. In the Southern Region AA, the portion of loans made in moderate-income census tracts was near to the portion of farms that are within those census tracts. The bank did not make any farm loans in low-income census tracts, where few farms are located (only .07% of AA farms). In the Northern Region AA, the portion of loans made in moderate-income census tracts was significantly lower than the portion of farms in those census tracts. There are no farms located in the one low-income census tract located in the Northern Region AA. The bank's market share for small farm loans in moderate-income census tracts in the Southern Region AA exceeded, and in the Northern Region AA was significantly lower than, its overall market share of small farm loans.

Lending Gap Analysis

Reports detailing CBNA's lending activity over the evaluation period for home mortgage loans, small loans to businesses and farms were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

Inside/Outside Ratio

This portion of the evaluation was performed at the bank level. A substantial majority (96%) of the number of home mortgage loans, small business loans, small farm loans were made within the bank's AAs. By product, 97% of the bank's home mortgage loans, 93% of the small loans to businesses, and 98% of the small loans to farms were within the bank's AAs. The home mortgage products were each close to the 97% overall HMDA in/out ratio. The dollar level of loans in and out of the AA was nearly identical to the number of loans. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tract.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CBNA's home mortgage loans, small loans to businesses and small farm loans reflects an overall good distribution among borrowers of different income levels and businesses of different sizes. Performance was good in both full scope AAs.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in the New York State section of Appendix D for the data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of home mortgage loans was good. In the evaluation of borrower distribution of home mortgage loans, we gave consideration to the portion of households living below the poverty level. The poverty level in the Southern Region is 12.16% and the Northern Region 14.13%. Due to reasons of affordability, it is unlikely that those with incomes below the poverty level would be involved in home mortgage financing. Accordingly, we considered this in evaluating the bank's lending distribution to low-income borrowers.

Refer to Tables 8, 9 and 10 in the New York State section of Appendix D for the data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Home purchase loan borrower distribution was good. In the Southern Region, the portion of loans made to moderate-income borrowers exceeded the portion of families defined as such. The portion of loans made to low-income borrowers was somewhat lower than the percentage of families defined as such, but was good when considering the percentage of households living below the poverty level. In the Northern Region the portion of loans made to moderate-income borrowers was near to the portion of families defined as such. The portion of loans made to low-income families was lower than the percentage of families defined as such, but was good when considering the percentage of households living below the poverty level.

CBNA's market share for home purchase loans made to moderate income borrowers was near to its overall market share of home purchase loans in both the Southern Region and Northern Region AAs. CBNA's market share for home purchase loans made to low-income borrowers in the Southern Region was somewhat lower than, and in the Northern Region exceeded its overall market share of home purchase loans.

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

Home mortgage refinance loan borrower distribution was good. The portion of loans made to moderate-income borrowers in the Southern Region AA exceeded, and in the Northern Region was near to, the portion of families defined as such in each AA. In the Southern Region, the portion of loans made to low-income borrowers was lower than the percentage of families defined as such, but was good when considering the percentage of households living below the poverty level. In the Northern Region the portion of loans made to low-income borrowers was lower than the portion of families defined as such, but was good when considering the percentage of households living below the poverty level. CBNA's market share for home mortgage refinance loans made to both low and moderate income borrowers exceeded its overall market share of home mortgage refinance loans in both the Southern Region and Northern Region AAs.

Small Loans to Businesses

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

The borrower distribution of small loans to businesses was excellent. In the Southern Region AA, the portion of small loans to businesses (businesses with revenues of \$1 million or less) was near to, and in the Northern Region exceeded the portion of businesses defined as such in each AA. CBNA's market share of small loans to businesses exceeded its overall market share for small loans to all businesses in both full scope AAs.

Small Loans to Farms

Refer to Table 12 in the New York State section of Appendix D for the data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to farms was good. The portion of small loans to farms (farms with revenues of \$1 million or less) was near to the portion of farms defined as such in both full scope AAs. CBNA's market share of small loans to farms exceeded its overall market share for small loans to farms in both full scope AAs.

Community Development Lending

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

CBNA's level of Community Development (CD) lending had some positive impact on the evaluation of its lending performance in New York State. CBNA originated 19 loans for \$8.96 million in its Southern Region AA. The loans were made to several nonprofit organizations and mainly supported affordable housing for people with low or moderate income. CBNA originated 15 CD loans for \$1.29 million in its Northern Region AA. The loans were made to several non-profit organizations, some which provide affordable housing services for people of low and moderate income, and others community services primarily for people of low and moderate income. None of the loans were considered innovative or complex.

Product Innovation and Flexibility

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

CBNA offers an affordable housing mortgage product called New York State Affordable Homeownership Grant Program for people of low or moderate-income through a number of non-profit agencies involved in affordable housing. These non-profit agencies provide grant funds to low and moderate-income first time homebuyers to cover the amount of the down payment. CBNA provides concurrent mortgage loans which feature an interest rate below the prevailing conventional mortgage rates (one-fifth to one-quarter of a percent below conventional rates) and pays for all closing costs. There were 44 loans for \$2.2 million made in the Northern Region AA and 8 loans for \$427,120 made in the Southern Region AA during the evaluation period.

CBNA participates in the Guaranteed Rural Housing Program (GRH), a loan program through the US Department of Agriculture. Applicants must meet the program's income limits. The program features mortgages with low or no down payment without Private Mortgage Insurance (PMI), 30-year loan terms, and liberal underwriting criteria. CBNA originated 17 loans for \$1.7 million in the Northern Region and 43 loans for \$3.4 million in the Southern Region during the evaluation period.

CBNA participates in three mortgage loan programs through the State of New York Mortgage Authority (SONYMA) which are beneficial to people with low or moderate income.

Closing Cost Assistance Loans (CCAL)

- No monthly payments.
- Forgiven after 10 years
- Minimum loan amount - \$1,000.00
- Maximum loan amount - \$3,000.00 or 3% of the loan amount.
- Cannot exceed the actual closing costs.
- Gifts from immediate family members are considered when calculating the amount.

The bank made three CCAL loans in the Southern Region AA for \$211,240 and one loan for \$233,100 in the Northern Region AA during the evaluation period.

Achieving the Dream:

- 30 and 40 year terms
- Up to 97% LTV
- Very low fixed interest rates
- No points
- Down payment assistance of up to 3% or \$3,000
- All applicants must complete a homebuyer education course.
- Applicants' must meet household income limits
- Applicant must occupy the home as their permanent residence

The bank made two - Achieving the Dream loans in the Southern Region AA for \$129,840 and one in the Northern Region AA for \$72,000 during the evaluation period.

Construction Incentive Program:

- 30 and 40 year terms
- Up to 97% LTV
- Competitive fixed interest rates
- No points
- Down payment assistance of up to 3% or \$3,000
- Applicants' must meet household income limits
- Applicant must occupy the home as their permanent residence

CBNA bank made one Construction Incentive loan in the Southern Region AA for \$129,840 during the evaluation period.

CBNA is involved in a Wheels to Work program in its Southern Region AA. The program, sponsored by the Seneca County Division of Human Services, is designed to aid low and moderate-income individuals whose barrier to employment is reliable transportation. The goal is to help individuals maintain or gain employment by providing them with vehicles and other supportive services, including budgeting and car maintenance courses. CBNA provides reduced interest rates on these installment loans, which are secured by the vehicles and guaranteed by the Seneca County. It also has relaxed underwriting requirements for the loans. The program is especially beneficial in this area as there is no public transportation available. The bank originated 18 loans for \$25 thousand under this program during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on our limited-scope reviews, the bank's overall performance under the Lending Test in the limited scope AAs in New York State is not inconsistent with its performance in the full scope AAs. The three AAs added in 2011 due to the Wilber Bank acquisition, Albany, Kingston and the Central Region had limited lending activity for comparison. Refer to Tables 1 through 12 in Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in New York State is rated High Satisfactory. Based on full-scope reviews, the bank's performance was good in both the Southern Region AA and the Northern Region AA.

Refer to Table 14 in the New York State section of Appendix D for the data used to evaluate the bank's level of qualified investments.

The level of investment activity in the Southern Region Non MSA AA was excellent. Of the \$10.3 million in current period investments, 57% was invested in mortgaged backed securities comprised of mortgage loans made to people of low and moderate income or to finance residences located in low and moderate income census tracts. The remaining investments were in municipal bonds that supported the revitalization/stabilization of low and moderate census tracts, or middle income census tracts designated as distressed or underserved. The investments also included a small amount of qualified grants made to a number of organizations in the AA. None of the investments are considered innovative or complex. The responsiveness to the community development needs of the AA was good. The AA has a good number of investment opportunities based on discussions with bank management, community contacts and other resources.

The level of investment activity in the Northern Region Non MSA AA was excellent. Of the \$8.7 million in current period investments, 53% was invested in municipal bonds that supported the revitalization/stabilization of low and moderate census tracts, middle income census tracts designated as distressed or underserved or designated federal disaster areas. Portions of the AA suffered significant damage as a result of Hurricane Irene in August 2011, and thus were designated as federal disaster areas. The remaining current period investments were in mortgaged backed securities comprised of mortgage loans made to people of low and moderate income or to finance residences located in low and moderate income census tracts. The investments also included a small amount qualified grants made to a number of organizations in the AA. None of the investments are considered innovative or complex. The responsiveness to the community development needs of the AA was good. The AA has a good number of investment opportunities based on discussions with bank management, community contacts and other resources.

Conclusions for Area Receiving Limited-Scope Reviews

CBNA's overall performance in its limited scope AAs is not inconsistent with its rating in the full scope AAs. Please refer to Table 14 in the New York State section of Appendix D for the data that support these conclusions. The AAs that are new to CBNA as a result of a 2011 bank acquisition and normal expansion, i.e., Kingston, Central NY Region and Albany had lesser proportionate investment activity than the established AAs. The lower proportionate activity was reasonable given that these areas recently became AAs in 2011. The Syracuse and Ithaca AAs had significantly higher proportionate investment activity than the other AAs. The performance variances in these AAs did not affect the bank's overall Investment Test rating.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

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

Retail Banking Services

Refer to Table 15 in the New York State section of Appendix D for the data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

CBNA's delivery systems are accessible to census tracts and individuals of different income levels throughout the full-scope AAs. Accessibility is excellent in the Southern Region AA and adequate in the Northern Region AA.

In the Southern Region AA, the distribution of CBNA's offices in low and moderate-income census tracts exceeds the distribution of the population living in these areas.

In the Northern Region AA, CBNA's office distribution in moderate-income census tracts is somewhat lower than the distribution of the population living in these census tracts. There are no offices located in the one low-income tract in the AA, where only .52% of the AA population resides.

The branch network in the full-scope AAs was expanded by 43 branches since the last evaluation. The expansion was mainly the result of acquisitions made by CBNA. Two branches were closed in middle-income census tracts in the Northern Region AA, and one branch was closed in a middle-income AA in the Southern Region AA. These closings did not adversely impact the accessibility of the bank's delivery systems, particularly in low and moderate income census tracts and to people of low and moderate income.

CBNA's hours and services offered throughout the full-scope AAs are good. Hours and services are good in both the Southern Region AA and Northern Region AA. Services offered are comparable among locations regardless of the income level of the census tract.

Substantially all branch offices offer extended hours on various days of the week including Saturday hours, which are offered in several branches. Management sets branch hours based on customer needs and traffic patterns in each area.

CBNA offers services that provide easy access to funds for low-income people who receive government assistance. All CBNA branches in the full scope AA will cash government checks for non-customers for a fee. Federal government checks are cashed for free except for income tax refund checks. Recipients (customer or non-customer) of New York State Public Assistance through the Electronic Benefits Transfer Program (EBT) can withdraw funds from any CBNA ATM free of charge.

CBNA offers a number of low cost banking service options that would be appealing to people of modest incomes. These services include free checking, free savings, free online banking, free bill pay, free return of check images, and free paper statements.

CBNA offers alternative delivery systems in the form of ATMs. A substantial majority of the bank's ATMs are located in the full-scope AAs. The geographic distribution of the bank's ATMs is similar to its branch distribution. Customers and non-customers alike can access their accounts through CBNA ATMs, which are connected to the NYCE, CIRRUS, PLUS and QUEST ATM systems. Customers may also use their CBNA ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the NYCE, CIRRUS, PLUS, Visa or MasterCard logos.

CBNA also offers alternative delivery systems of on-line banking, bank-by-phone and bank-by-mail. These services allow customers to obtain deposit and loan account information, make payments on CBNA loans, transfer funds, and pay other household bills. We did not place significant weight on these alternative delivery systems because no data was available to determine the impact of these retail-banking services on low and moderate-income census tracts and individuals.

Community Development Services

Management and bank employees support various organizations in the communities served by the bank by offering financial expertise to such groups. Numerous personnel are members of the boards of directors, finance committees and loan committees of organizations that provide community development services.

In the Southern Region AA, CBNA employees provide a good level of support to various community development service organizations. Employees participated in more than 20 organizations, devoting approximately 1,154 hours to CD activities over the evaluation period. The organizations provide community development service through supporting affordable housing for people with low and moderate-income, providing community services targeted to people with low and moderate-income and supporting economic development by financing small businesses that are involved in job creation and retention for people of low and moderate-income or in low or moderate income census tracts.

In the Northern Region AA, CBNA employees provide a good level of support to various community development service organizations. Employees participated in more than 20

organizations devoting approximately 1,151 hours to CD activities over the evaluation period. The organizations provide community development service through supporting affordable housing for people with low and moderate-income, providing community services targeted to people with low and moderate-income and supporting economic development by financing small businesses that are involved in job creation and retention for people of low and moderate-income or in low or moderate income census tracts.

Conclusions for Areas Receiving Limited-Scope Reviews

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

Based on limited scope reviews, CBNA's overall performance under the Service Test in the limited scope AAs is not inconsistent with its performance in the full scope AAs in New York State.

State Rating

Pennsylvania

CRA Rating for Pennsylvania:

The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	Outstanding

The major factors that support this rating include:

- Lending levels that reflect a good responsiveness to the credit needs of its assessment area (AA).
- An adequate distribution of loans among census tracts of different income levels throughout the AA.
- A good distribution of loans among borrowers of different income levels throughout the AA.
- Community development lending that had a neutral impact on the bank's lending performance.
- No flexible lending products, thus a neutral impact on the bank's lending performance for this area.
- Investments that reflect good responsiveness to the credit and community development needs of the AA.
- Service delivery systems that are readily accessible to census tracts and individuals of different income levels in the AA.
- Good performance in providing community development services.

Description of Institution's Operations in Pennsylvania

CBNA has two AAs in Pennsylvania, the Scranton Wilkes Barre Hazelton MSA AA (SWB AA) and the PA Non MSA AA, which consists of 18 non MSA census tracts in three counties near the SWB AA. CBNA has 26 branches within the state, which represents 15% of the bank's total branch network. The State of Pennsylvania represents 17% of CBNA's total deposits. As of June 30, 2011, the bank ranked 39th in the state for deposit market share with 0.27% market share. During the evaluation period, CBNA originated 14% of its total HMDA, small business and small farm loans within Pennsylvania.

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

Scope of Evaluation in Pennsylvania

We conducted a full-scope review of the SWB AA in Pennsylvania. This is the bank's primary AA in Pennsylvania with 81% of its branches, 92% of its deposits and 86% of its loans made in the state. Home mortgage lending was given more weight when arriving at the bank's overall performance in lending based on the greater volume of home mortgage lending (62%) compared to small business (38%) and small farm lending at .50% with only eight loans made during the evaluation period.

Of the home mortgage products, home improvement loans (43%) and home mortgage refinance loans (37%) were given more weight than home purchase loans (19%), due to these products having greater activity during the evaluation period than home purchase loans. Multi family dwelling units represented only .6% of the HMDA lending activity.

We conducted community contacts with two organizations located in the full scope AA during this evaluation. Both organizations are involved in economic development in Northeastern Pennsylvania. The organizations confirmed the ongoing need for small business financing in the AA. One organization emphasized a need for more financing for start-up businesses, while the other contact felt there was little demand for startup financing. This contact instead emphasized the need for providing financing to support the growth and expansion of already established small businesses. The level of opportunities for community development loans, investments and services is good. The needs for small business related credit, investments and services in the AA, was considered in our evaluation of CBNA's performance in the State of Pennsylvania under the Lending, Investment and Service Tests. Refer to the Market Profile section in Appendix C for more information.

Lending Activity

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

CBNA's lending activity the SWB Region AA was good. CBNA ranks fifth for deposits with a 7.01% market share as of June 30, 2011. Based on 2010 aggregate HMDA data, CBNA ranks second as an originator/purchaser of home improvement (14.46 market share), eleventh for home purchase loans (2.27%), seventh for home mortgage refinance loans (3.1), and third for multi-family dwelling loans (8.51%). Based on 2010 CRA aggregate data, CBNA is the fifth largest originator/purchaser of small loans to businesses (5.65% market share). CBNA ranked fourth (8.04% market share) when considering only small business loans made to small size businesses (businesses with \$1 million or less in gross annual revenue). In small business lending, CBNA is outranked by credit card companies and one bank.

Distribution of Loans by Income Level of the Census Tract

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

Home Mortgage Loans

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

The overall geographic distribution of home mortgage loans was adequate. Greater weight was given to lending in moderate-income census tracts, which had a much higher portion of the AA's owner occupied housing (7.89% vs. .03%).

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

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

The overall geographic distribution of home mortgage refinance loans was adequate. The portion of home mortgage refinance loans made in moderate-income census tracts was lower than, and in low-income census tracts exceeded, the portion of owner-occupied housing units

in those census tracts. CBNA's market share of home mortgage refinance loans originated in moderate-income census tracts exceeded, and in lower-income census tracts was significantly lower than, the bank's overall market share of home mortgage refinance loans.

The overall geographic distribution of multi-family dwelling loans was poor. The portion of multi-family dwelling loans made in moderate-income census tracts was lower than the portion of multi-family dwelling units in those census tracts. CBNA made no multi-family dwelling in low-income census tracts, where 6.46% of the AA's multi-family dwellings in the AA are located. The bank's market share in low and moderate-income census tracts was significantly lower than its overall market share of multi-family dwelling loans. Multi-family dwelling loans represent a very small portion of CBNA's mortgage lending, with only 14 loans made in the AA during the evaluation period.

Small Loans to Businesses

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

The geographic distribution of small loans to businesses was adequate. The portion of loans made in moderate-income census tracts was somewhat lower than, and in low income census tracts was lower than, the portion of businesses that are within those census tracts. The bank's market share for small business loans in both low and moderate-income census tracts was somewhat lower than its overall market share for small loans to businesses.

Small Loans to Farms

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

The geographic distribution of small loans to farms was adequate. Although CBNA made no farm loans in low or moderate-income census tracts (only eight loans were made in the evaluation period), there was very limited farm lending opportunities in low-income census tracts and limited opportunities in moderate-income census tracts. Only .13% of the AAs farms are located in low-income census tracts and 3.03% in moderate-income census tracts. According to 2010 Peer Small Business data, there were no farm loans made by lenders in low or moderate income census tracts in 2010 among the 28 farm loans made that year.

Lending Gap Analysis

Reports detailing CBNA's lending activity over the evaluation period for home mortgage loans, small loans to businesses and farms were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

Inside/Outside Ratio

This portion of the evaluation was performed at the bank level. A substantial majority (96%) of the number of home mortgage loans, small business loans, small farm loans were made within the bank's AAs. By product, 97% of the bank's home mortgage loans, 93% of the small loans to businesses, and 98% of the small loans to farms were within the bank's AAs. The home mortgage products were each close to the 97% overall HMDA in/out ratio. The dollar level of loans in and out of the AA was nearly identical to the number of loans. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tract.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CBNA's home mortgage loans, small loans to businesses and small farm loans reflects an overall good distribution among borrowers of different income levels and businesses of different sizes.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans was good. In the evaluation of borrower distribution of home mortgage loans, we gave consideration to the portion of households living below the poverty level. The poverty level in the SWB Region is 11.73%. Due to reasons of affordability, it is unlikely that those with incomes below the poverty level would be involved in home mortgage financing. Accordingly, we considered this in evaluating the bank's lending distribution to low-income borrowers.

Refer to Tables 8, 9 and 10 in the Pennsylvania section of Appendix D for the data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

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

Home improvement loan borrower distribution was excellent. The portion of loans made to moderate-income borrowers exceeded the portion of families defined as such. The portion of loans made to low-income borrowers was near to the percentage of families defined as such, but was excellent when considering the percentage of households living below the poverty level. CBNA's market share for home improvement loans made to low-income borrowers was near to, and to moderate-income borrowers exceeded, its overall market share of home improvement loans.

Home mortgage refinance loan borrower distribution was good. The portion of loans made to moderate-income borrowers was near to the portion of families defined as such. The portion

of loans made to low-income borrowers was lower than the portion of families defined as such, but was good when considering the percentage of households living below the poverty level. CBNA's market share for home mortgage refinance loans made to low income borrowers exceeded, and for moderate income borrowers was near to, its overall market share of home mortgage refinance loans.

Small Loans to Businesses

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

The borrower distribution of small loans to businesses is good. The portion of small loans to businesses (businesses with revenues of \$1 million or less) was near to the portion of businesses defined as such. CBNA's market share of small loans to businesses exceeded its overall market share for small loans to all businesses in the AA.

Small Loans to Farms

Refer to Table 12 in the Pennsylvania section of Appendix D for the data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to farms is excellent. The portion of small loans to farms (farms with revenues of \$1 million or less) exceeded the portion of farms defined as such. CBNA made no small loans to farms in 2010 that could be used for a market share comparison. The bank made only eight small farms in the SWB AA during the four year evaluation period.

Community Development Lending

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

CBNA's level of Community Development (CD) lending had a neutral impact on the evaluation of its lending performance in Pennsylvania. CBNA originated two CD loans for \$1.5 million in its SWB Region AA. The loans were both made to the same nonprofit organization. The organization provides community services to people of low income. None of the loans were considered innovative or complex.

Product Innovation and Flexibility

CBNA did not have any lending activity in innovative and flexible lending programs in Pennsylvania during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on our limited-scope AA review, the bank's overall performance under the Lending Test in the limited scope AA in Pennsylvania is stronger than its performance in the full scope AA. The PA Non MSA AA had excellent borrower loan distribution. The AA has no low or moderate-income census tracts, thus no geographic distribution comparison could be made. The stronger performance in the limited scope AA, which represents only 14.05% of the lending activity in the state, did not change the rating assigned to the full scope AA. Refer to Tables 1 through 12 in 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 Pennsylvania is High Satisfactory. Based on the full-scope review, the bank's performance in the SWB Region AA was good.

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

The level of investment activity in the SWB AA was excellent. All \$20.8 million in current period investments was invested in mortgaged backed securities comprised of mortgage loans made to people of low and or moderate income or to finance residences located in low and moderate income census tracts. There was also a small amount of qualified grants included in the investment activity. None of the investments are considered innovative or complex. The responsiveness to the community development needs of the AA was adequate. The AA has a good number of investment opportunities based on discussions with bank management, community contacts and other resources.

Conclusions for Area Receiving Limited-Scope Reviews

Refer to the Tables 14 in the Pennsylvania section of Appendix D for the data that support these conclusions.

CBNA's performance in its limited scope AA was weaker than its rating in the full scope AA. The PA Non MSA AA, which contains only 8% of the bank's deposits in Pennsylvania, had less proportionate investment activity. The AA has a lower level of investment opportunities than the full scope AA. The weaker performance in the limited scope AA did not affect the bank's rating under the Investment Test. Please refer to Table 14 in the Pennsylvania section of Appendix D for the data that support these conclusions.

SERVICE TEST

Retail Banking Services

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Pennsylvania is rated "Outstanding." Based on full-scope review, the bank's performance in the SWB AA is excellent.

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

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

In the Full Scope AA, the distribution of CBNA's offices in low-income census tracts exceeds the distribution of the population living in these areas. The distribution of offices in moderate-income census tracts is near to the distribution of the population living in such census tracts.

There was one branch office closed in a middle-income census tract during the evaluation period. The closing did not adversely impact the accessibility of the bank's delivery systems, particularly in low and moderate income census tracts and for people of low and moderate income.

CBNA's hours and services offered throughout the full-scope AA are good. Services offered are comparable among locations regardless of the income level of the census tract. Substantially all branch offices offer extended hours on various days of the week including Saturday hours, which are offered in several branches. Management sets branch hours based on customer needs and traffic patterns in each area.

CBNA offers services that provide easy access to funds for low-income people who receive government assistance. All CBNA branches in the full scope AA will cash government checks for non-customers for a fee. Federal government checks are cashed for free except for income tax refund checks. Recipients (customer or non-customer) of Pennsylvania Public Assistance through the Electronic Benefits Transfer Program (EBT) can withdraw funds from any CBNA ATM free of charge.

CBNA offers a number of low cost banking service options that would be appealing to people of modest incomes. These services include free checking, free savings, free online banking, free bill pay, free return of check images, and free paper statements.

CBNA offers alternative delivery systems in the form of ATMs. A substantial majority of the bank's ATMs are located in the full-scope AA. The geographic distribution of the bank's ATMs is similar to its branch distribution. Customers and non-customers alike can access their accounts through CBNA ATMs, which are connected to the NYCE, CIRRUS, PLUS and QUEST ATM systems. Customers may also use their CBNA ATM card to obtain cash at non-

proprietary ATMs throughout the world, which bear the NYCE, CIRRUS, PLUS, Visa or MasterCard logos.

CBNA also offers alternative delivery systems of on-line banking, bank-by-phone and bank-by-mail. These services allow customers to obtain deposit and loan account information, make payments on CBNA loans, transfer funds, and pay other household bills. We did not place significant weight on these alternative delivery systems because no data was available to determine the impact of these retail-banking services on low and moderate-income census tracts and individuals.

Community Development Services

CBNA's performance in providing community development services is good in its full scope AA.

Management and bank employees support various organizations in the communities served by the bank by offering financial expertise to such groups. Numerous personnel are members of the boards of directors, finance committees and loan committees of organizations that provide community development services.

In the full scope AA, CBNA employees provide an excellent level of support to various community development service organizations. Employees participated in over 20 organizations devoting approximately 1,245 hours to CD activities over the evaluation period. The organizations supported include organizations that support affordable housing for people with low and moderate-income, provide community service targeted to people with low and moderate-income and support economic development by financing small businesses that are involved in job creation and retention for people of low and moderate-income, or in low or moderate income census tracts.

Conclusions for Areas Receiving Limited-Scope Reviews

Refer to Table 15 in the Pennsylvania section of Appendix D for the data that support these conclusions.

Based on limited scope reviews, CBNA's overall performance under the Service Test in the limited scope AA is weaker than its performance in the full scope AAs in Pennsylvania. The limited scope AA does not provide the opportunity for high level performance, as there are no low or moderate income census tracts in the AA. The AA is comprised of 18 middle-income census tracts. The weaker performance in the limited scope AA did not affect the bank's rating under the Service Test.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): 01/01/2008 to 12/31/2011 Investment and Service Tests and CD Loans: 12/12/2008 to 03/11/2012	
Financial Institution		Products Reviewed
Community Bank, N.A. (CBNA) Canton, NY		Home purchase, home improvement, refinance and multi-family dwelling loans reported on the HMDA LAR. Small Business and small farm loans reported on the CRA Register.
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
New York Southern Region Non MSA Northern Region Non MSA Albany NY MSA Binghamton NY MSA Buffalo NY MSA Central NY Non MSA Elmira NY MSA Glens Falls NY MSA Ithaca NY MSA Kingston NY MSA Rochester NY MSA Syracuse NY MSA Utica NY MSA	Full Scope Full Scope Limited Scope Limited Scope	

Appendix B: Summary of State Ratings

Community Bank, N.A.				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
Community Bank, N.A.	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
New York	High Satisfactory	High Satisfactory	High Satisfactory	High Satisfactory
Pennsylvania	High Satisfactory	High Satisfactory	Outstanding	High Satisfactory

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

Appendix C: Market Profiles for Full-Scope Areas

Institution ID: Community Bank NA - Charter # 8531

Northern Non-MSA-99999

Demographic Information for Full Scope Area: Northern Non-MSA-99999						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	105	0.95	10.48	80.95	5.71	1.90
Population by Geography	423,221	0.52	11.20	82.71	4.79	0.79
Owner-Occupied Housing by Geography	105,115	0.00	6.22	88.54	5.23	0.00
Business by Geography	35,001	0.09	8.81	84.81	6.13	0.15
Farms by Geography	1,937	0.00	4.70	93.19	2.12	0.00
Family Distribution by Income Level	104,672	20.36	19.21	23.22	37.21	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	41,418	0.08	14.15	82.90	2.87	0.00
Median Family Income		41,761	Median Housing Value	67,647		
HUD Adjusted Median Family Income for 2011		56,100	Unemployment Rate (May 2012)	9.9%		
Households Below Poverty Level		14.13%				

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

Source: 2000 US Census and 2011 HUD updated MFI

CBNA's Northern Region AA consists of the entire counties of Franklin, Jefferson, Lewis, Clinton, St. Lawrence, Essex, and the eastern portion of Hamilton County in the non-MSA area of northern New York State. The composition of the AA's census tracts by income level is 1% low-income, 10% moderate-income, 81% middle-income, 6% upper-income and 2% with no income designation.

CBNA ranks first out of 20 banks for deposit market share in the AA with 24.96% of AA deposits as of June 30, 2011. CBNA Bank ranks first in the AA for number of branch offices with 45 offices, representing 29% of all branches among the FDIC deposit insured institutions.

The Northern Region AA is a largely rural and sparsely populated area. The area has distressed middle-income, non-metropolitan census tracts in Jefferson and Lewis counties. Each county has at least one designated New York State Empire Zone, in which businesses can receive certain incentives from New York State for creating jobs in these targeted areas. Tourism is a major industry in the AA with the Region's vast outdoor recreation opportunities in the Adirondack Mountains and along the major waterways of Lake Ontario, the St. Lawrence River, and Lake Champlain. Other major industries include educational services (both public and private), health care services, public administration, and general merchandise /store, transportation services, and public administration.

The Fort Drum Military Base is located in Jefferson County. Currently there are over 19,500 active duty military stationed at Fort Drum. The base also employs 4,700 civilians and is one of the largest employers in the Region.

The average unemployment rate for the six counties in the AA was 9.9% as of May 2012, up from 9.3% one year earlier. St Lawrence County had one of the highest rates of unemployment at 10.4%. The area unemployment rate was unfavorable compared to the state average of 8.6% and the national average of 7.9%.

According to 2000 US Census data the estimated median home values in the area were \$62,207 in Franklin County, \$65,289 in Jefferson County, \$62,272 in Lewis County, \$78,071 in Clinton County, \$60,700 in Essex County and \$59,047 in St. Lawrence County.

CBNA offers a wide range of financial services in the AA, with their primary focus on loans to consumers. In addition to traditional deposit and loan products, CBNA offers its customers insurance and investment products and trust services.

We made two community contacts in the AA. The contacts verified the need for affordable home financing and small business financing. The contacts emphasized the need for small business financing, noting that financing had tightened up during the recent economic downturn. This includes financing for business startups. The need for services for lower income residents include safe affordable housing, especially rental housing, improvements to transportation, whether through public transportation or more affordable auto ownership, and mental and behavioral related services. The level of opportunities for community development loans, investments and services is good.

Institution ID: Community Bank NA - Charter # 8531

Southern Non-MSA-99999

Demographic Information for Full Scope Area: Southern Non-MSA-99999						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	138	2.17	7.97	78.26	10.14	1.45
Population by Geography	531,508	0.70	6.78	82.23	9.96	0.32
Owner-Occupied Housing by Geography	147,435	0.21	5.26	84.97	9.56	0.00
Business by Geography	40,570	1.81	7.11	80.84	10.20	0.04
Farms by Geography	2,977	0.07	2.15	90.66	7.12	0.00
Family Distribution by Income Level	137,634	18.74	19.04	23.54	38.68	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	51,995	0.87	9.66	83.02	6.45	0.00
Median Family Income HUD Adjusted Median Family Income for 2011 Households Below Poverty Level		41,761 56,100 12.16%	Median Housing Value Unemployment Rate (May 2012)		64,083 8.45%	

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

Source: 2000 US Census and 2011 HUD updated MFI

CBNA's Southern Region AA consists of Allegany, Cattaraugus, Chautauqua, Cayuga, Schuyler, Seneca, Steuben and Yates counties in the non-MSA area of New York State. The composition of the AA's census tracts by income level is 2% low-income, 8% moderate-income, 78% middle-income, 10% upper-income, and 1% with no income designation.

CBNA's ranks first out of 26 banks for deposit market share in the AA with 22.30% of deposits as of June 30, 2011. CBNA ranks first in the AA for number of branch offices with 49 offices, representing 27% of all branches among the FDIC deposit insured institutions.

The Southern Region AA is largely rural and is comprised of counties in the Southern Tier, Southwestern, and Finger Lakes Regions of New York State. Distressed middle-income non-metropolitan census tracts are located in Allegany, Cattaraugus, Schuyler and Steuben counties. Each of the counties in the AA has designated New York State Empire Zones, in which businesses can receive certain incentives for creating jobs in these targeted areas.

The three most western counties in the AA (Allegany, Cattaraugus, and Chautauqua counties) are home to three territories of the Seneca Nation of Indians. The Seneca Nation exercises control over 60 square miles of land in the area.

The local economy has been transforming from a manufacturing-based economy to a service-based economy for a number of years. Agriculture also plays a strong role in the economy. Some of the largest employers in the area include MRC Bearings, Bush Industries, and WCA Hospital.

According to 2000 US Census data the estimated median home values in the AA were as follows: Allegany County - \$52,561, Cattaraugus County - \$60,057, Chautauqua County -

\$62,041, Cayuga County - \$72,615, Schuyler County - \$67,216, Seneca County - \$71,250, Steuben County - \$63,900, Yates County - \$76,207.

The average unemployment rate for the eight counties in the AA was 8.45% as of May 2012, up from 7.79% one year earlier. Steuben County had the highest rate of unemployment in the AA at 9.8%. The area unemployment rate was slightly better than the state average of 8.6% and higher than the national average of 7.9%.

CBNA offers a wide range of financial services in the AA, with their primary focus on loans to consumers. In addition to traditional deposit and loan products, CBNA offers its customers insurance and investment products and trust services.

Our community contact emphasized the need for better living wage opportunities that can only be brought about by improving the employment situation of the area. Due to the high poverty rate in the area, there is a great need for support services for lower income people, especially the elderly. The level of opportunities for community development loans, investments and services is good.

Institution ID: Community Bank NA - Charter # 8531

Scranton-WB-Hazelton MSA-42540

Demographic Information for Full Scope Area: Scranton-WB-Hazelton MSA-42540						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	168	0.60	12.50	74.40	12.50	0.00
Population by Geography	560,625	0.46	10.26	73.22	16.06	0.00
Owner-Occupied Housing by Geography	158,663	0.03	7.89	74.88	17.20	0.00
Business by Geography	34,021	3.13	9.68	69.38	17.82	0.00
Farms by Geography	793	0.13	3.03	71.12	25.73	0.00
Family Distribution by Income Level	148,520	19.02	18.75	22.88	39.34	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	56,099	0.37	14.68	75.22	9.73	0.00
Median Family Income		43,893	Median Housing Value		87,298	
HUD Adjusted Median Family Income for 2011		58,100	Unemployment Rate (May 2012)		8.6%	
Households Below Poverty Level		11.73%				

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

Source: 2000 US Census and 2011 HUD updated MFI

CBNA's Pennsylvania full scope AA consists of Lackawanna, Luzerne, and Wyoming counties in the Scranton/Wilkes-Barre/ Hazelton MSA. The composition of the AAs census tracts by income level is 1% low-income, 13% moderate-income, 74% middle-income and 13% upper-income. Scranton is the largest population center in the MSA.

CBNA's does business as First Liberty Bank & Trust in Pennsylvania. The bank ranks fifth in deposit market share at 7.01% as of June 30, 2011. CBNA Bank ranks second in the AA for number of branch offices with 21 offices, representing 11% of all branches among the FDIC deposit insured institutions.

For many years the area's employment was largely focused on manufacturing and industrial activities, including the mining industry. However, mining has declined significantly in the area. Currently, the major areas for employment in the AA area are education and health services; retail trade; manufacturing and government. The area's major employers include Proctor and Gamble, WEA Manufacturing, Allied Integrated Health Services Wyoming Valley Health Care System, Mercy Hospital, and Tunkhannock Area School District.

According to 2000 US Census Bureau data, median home values in the area were \$92,974 in Lackawanna County, \$83,155 in Luzerne County, and \$91,862 in Wyoming County. While the area has experienced some decline in home values, it has not been to the same degree as other areas of the country as the area did not experience a rapid increase in home values over the last few years.

The average unemployment rate for the three counties in the AA was 8.6% as of May 2012, down from 9.27% one year earlier. While the rate improved this past year, it was higher than the state average of 7.3% and the national average of 7.9%.

CBNA offers a wide range of financial services in the AA, with their primary focus on loans to consumers. In addition to traditional deposit and loan products, CBNA offers its customers insurance and investment products and trust services.

Our two community contacts confirmed the ongoing need for small business financing in the AA. One contact emphasized a need for more financing for start-up businesses, and another believed there was little demand for startup financing. This contact instead emphasized the need for providing financing to support the growth and expansion of already established small businesses. The level of opportunities for community development loans, investments and services is good.

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. See Interagency Q&As ___12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the

bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the

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

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

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

Tables of Performance Data

New York

Institution ID: Community Bank NA - Charter #8531

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW YORK STATE						Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011				
Assessment Area (2011):	% 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:												
Northern New York	40.47	7,092	434,143	2,806	249,875	987	59,170	15	1,292	10,900	744,480	33.61
Southern New York	38.35	7,325	382,568	2,048	183,683	942	60,441	19	8,690	10,334	635,382	30.34
Limited Review:												
Albany-Sch-Troy MSA	0.04	7	871	3	170	0	0	1	30	11	1,071	1.25
Binghamton MSA	1.17	191	10,594	40	2,958	85	3,189	0	0	316	16,741	1.80
Buffalo Niagara MSA	1.91	405	25,636	98	11,705	12	808	0	0	515	38,149	1.18
Central Region NY	0.94	162	12,049	92	8,230	0	0	0	0	254	20,279	16.02
Elmira MSA	2.35	559	43,174	73	8,033	0	0	0	0	632	51,207	2.04
Glens Falls MSA	0.61	53	4,367	109	8,305	1	1	0	0	163	12,673	1.36
Ithaca MSA	0.80	181	31,673	32	5,740	1	145	0	0	214	37,558	.13
Kingston MSA	0.03	2	22	5	199	0	0	0	0	7	221	.63
Rochester MSA	8.48	1,585	101,601	476	39,670	219	11,585	0	0	2,280	152,856	7.42
Syracuse MSA	3.20	602	43,538	179	27,234	79	6,981	2	106	862	77,859	1.88
Utica Rome MSA	1.67	314	20,777	128	8,499	6	258	0	0	448	29,534	2.38

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from December 12, 2008 to March 11, 2012.

*** Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: Community Bank NA - Charter # 8531

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: NEW YORK STATE				Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Northern Non-MSA	1,567	35.61	0.00	0.00	6.22	5.74	88.54	91.83	5.23	2.43	12.94	0.00	7.77	14.03	6.61	
Southern Non-MSA	1,758	39.95	0.21	0.23	5.26	4.66	84.97	87.60	9.56	7.51	11.77	0.00	15.20	12.45	6.67	
Limited Review:																
Albany-Sch-Troy MSA AA	1	0.02	0.00	0.00	44.63	100.00	55.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Binghamton MSA AA	41	0.93	0.00	0.00	7.73	2.44	62.69	80.49	29.58	17.07	1.23	0.00	0.00	1.83	0.56	
Buffalo Niagara MSA-15380	76	1.73	0.00	0.00	1.88	2.63	52.15	81.58	45.96	15.79	0.55	0.00	2.86	0.89	0.19	
Central Region Non MSA	34	0.77	0.00	0.00	1.17	0.00	98.25	97.06	0.58	2.94	0.00	0.00	0.00	0.00	0.00	
Elmira MSA-21300	207	4.70	0.49	0.97	10.87	8.70	59.09	63.77	29.55	26.57	6.57	0.00	2.99	7.29	6.43	
Glens Falls MSA 24020	15	0.34	0.00	0.00	14.43	6.67	85.57	93.33	0.00	0.00	1.69	0.00	0.00	2.02	0.00	
Ithaca MSA-27060	32	0.73	0.00	0.00	6.86	12.50	80.92	75.00	12.23	12.50	1.03	0.00	2.82	0.88	0.76	
Kingston MSA 28740	0	0.00	0.00	0.00	26.43	0.00	73.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Rochester MSA-40380	374	8.50	0.57	2.14	10.65	13.64	74.67	79.41	14.12	4.81	2.93	0.00	3.05	3.75	0.31	
Syracuse MSA-45060	193	4.39	2.78	0.52	11.93	29.53	50.10	49.74	35.20	20.21	0.77	0.00	2.34	0.72	0.50	
Utica Rome MSA-46540	102	2.32	0.00	0.00	0.00	0.00	90.06	100.00	9.94	0.00	8.60	0.00	0.00	10.15	0.00	

* Based on 2010 Peer Mortgage Data (USPR)

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 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 STATE				Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011									
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Northern Non-MSA	3,852	40.81	0.00	0.00	6.22	6.28	88.54	91.80	5.23	1.92	71.02	0.00	83.82	71.09	48.84	
Southern Non-MSA	3,840	40.68	0.21	0.08	5.26	5.81	84.97	89.43	9.56	4.69	46.53	100.00	47.30	47.95	32.97	
Limited Review:																
Albany-Sch-Troy MSA AA	3	0.03	0.00	0.00	44.63	33.33	55.37	66.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Binghamton MSA AA	111	1.18	0.00	0.00	7.73	1.80	62.69	83.78	29.58	14.41	12.96	0.00	0.00	16.51	6.98	
Buffalo Niagara MSA-15380	224	2.37	0.00	0.00	1.88	13.84	52.15	78.57	45.96	7.59	13.72	0.00	50.00	17.69	3.33	
Central Region Non MSA	68	0.72	0.00	0.00	1.17	0.00	98.25	100.00	0.58	0.00	0.41	0.00	0.00	0.43	0.00	
Elmira MSA-21300	168	1.78	0.49	1.19	10.87	7.74	59.09	58.33	29.55	32.74	13.26	0.00	6.45	12.17	17.54	
Glens Falls MSA 24020	17	0.18	0.00	0.00	14.43	0.00	85.57	100.00	0.00	0.00	9.68	0.00	0.00	12.00	0.00	
Ithaca MSA-27060	56	0.59	0.00	0.00	6.86	1.79	80.92	85.71	12.23	12.50	4.62	0.00	0.00	5.34	0.00	
Kingston MSA 28740	2	0.02	0.00	0.00	26.43	0.00	73.57	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Rochester MSA-40380	709	7.51	0.57	2.26	10.65	15.94	74.67	78.42	14.12	3.39	16.59	25.00	21.64	17.29	4.59	
Syracuse MSA-45060	251	2.66	2.78	0.00	11.93	41.04	50.10	45.42	35.20	13.55	5.46	0.00	19.54	4.37	2.13	
Utica Rome MSA-46540	138	1.46	0.00	0.00	0.00	0.00	90.06	100.00	9.94	0.00	15.69	0.00	0.00	17.02	0.00	

* Based on 2010 Peer Mortgage Data (USPR)

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 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 STATE				Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ ^{***} Units	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Overa ll	Low	Mod	Mid	Upp	
Full Review:																
Northern Non-MSA	1,633	35.79	0.00	0.00	6.22	5.21	88.54	90.20	5.23	4.59	14.58	0.00	14.65	14.96	10.14	
Southern Non-MSA	1,713	37.54	0.21	0.00	5.26	3.33	84.97	87.39	9.56	9.28	14.19	0.00	24.32	14.83	9.09	
Limited Review:																
Albany-Sch-Troy MSA AA	3	0.07	0.00	0.00	44.63	33.33	55.37	66.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Binghamton MSA AA	38	0.83	0.00	0.00	7.73	0.00	62.69	86.84	29.58	13.16	1.67	0.00	0.00	2.95	0.00	
Buffalo Niagara MSA-15380	105	2.30	0.00	0.00	1.88	7.62	52.15	80.00	45.96	12.38	0.49	0.00	5.26	1.00	0.05	
Central Region Non MSA	59	1.29	0.00	0.00	1.17	0.00	98.25	96.61	0.58	3.39	0.00	0.00	0.00	0.00	0.00	
Elmira MSA-21300	181	3.97	0.49	0.55	10.87	5.52	59.09	45.86	29.55	48.07	6.31	50.00	6.67	5.97	6.44	
Glens Falls MSA 24020	21	0.46	0.00	0.00	14.43	0.00	85.57	100.00	0.00	0.00	2.56	0.00	0.00	2.92	0.00	
Ithaca MSA-27060	87	1.91	0.00	0.00	6.86	9.20	80.92	73.56	12.23	17.24	3.94	0.00	1.72	3.92	5.00	
Kingston MSA 28740	0	0.00	0.00	0.00	26.43	0.00	73.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Rochester MSA-40380	492	10.78	0.57	1.02	10.65	10.16	74.67	82.93	14.12	5.89	3.79	33.33	6.67	5.00	0.30	
Syracuse MSA-45060	157	3.44	2.78	0.00	11.93	22.93	50.10	44.59	35.20	32.48	0.90	0.00	2.20	0.98	0.68	
Utica Rome MSA-46540	74	1.62	0.00	0.00	0.00	0.00	90.06	100.00	9.94	0.00	3.63	0.00	0.00	4.04	0.00	

* Based on 2010 Peer Mortgage Data (USPR)

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 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 STATE						Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011							
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 ll	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA	39	54.93	0.42	0.00	20.96	7.69	73.16	87.18	5.46	5.13	46.15	0.00	0.00	50.00	0.00
Southern Non-MSA	10	14.08	5.77	10.00	12.16	10.00	68.40	80.00	13.68	0.00	0.00	0.00	0.00	0.00	0.00
Limited Review:															
Albany-Sch-Troy MSA AA	0	0.00	0.00	0.00	5.52	0.00	94.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Binghamton MSA AA	1	1.41	0.00	0.00	45.99	0.00	45.26	100.00	8.76	0.00	0.00	0.00	0.00	0.00	0.00
Buffalo Niagara MSA-15380	0	0.00	0.00	0.00	2.56	0.00	51.95	0.00	45.48	0.00	0.00	0.00	0.00	0.00	0.00
Central Region Non MSA	1	1.41	0.00	0.00	12.36	0.00	86.79	100.00	0.85	0.00	0.00	0.00	0.00	0.00	0.00
Elmira MSA-21300	3	4.23	24.92	0.00	31.36	0.00	36.07	100.00	7.66	0.00	0.00	0.00	0.00	0.00	0.00
Glens Falls MSA 24020	0	0.00	0.00	0.00	45.88	0.00	54.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ithaca MSA-27060	6	8.45	0.00	0.00	39.92	83.33	42.34	16.67	17.74	0.00	5.26	0.00	11.11	0.00	0.00
Kingston MSA 28740	0	0.00	0.00	0.00	76.00	0.00	24.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rochester MSA-40380	10	14.08	4.59	20.00	16.52	0.00	66.65	80.00	12.24	0.00	0.00	0.00	0.00	0.00	0.00
Syracuse MSA-45060	1	1.41	27.95	0.00	23.19	0.00	32.38	100.00	16.49	0.00	0.00	0.00	0.00	0.00	0.00
Utica Rome MSA-46540	0	0.00	0.00	0.00	0.00	0.00	98.46	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2010 Peer Mortgage Data (USPR)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multifamily 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 STATE					Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*													
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp									
Full Review:																								
Northern Non-MSA	2,806	46.08	0.09	0.00	8.81	7.59	84.81	87.46	6.13	4.95	13.59	0.00	8.92	15.46	9.52									
Southern Non-MSA	2,048	33.63	1.81	1.37	7.11	9.13	80.84	79.05	10.20	10.45	8.19	5.10	10.19	8.18	10.26									
Limited Review:																								
Albany-Sch-Troy MSA AA	3	0.05	0.00	0.00	35.92	0.00	63.70	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00									
Binghamton MSA AA	40	0.66	0.00	0.00	15.89	0.00	57.26	82.50	26.85	17.50	0.49	0.00	0.00	0.92	0.15									
Buffalo Niagara MSA-15380	98	1.61	0.00	0.00	2.47	7.14	49.18	82.65	48.28	10.20	0.26	0.00	0.25	0.47	0.12									
Central Region Non MSA	92	1.51	0.00	0.00	2.39	0.00	97.07	98.91	0.50	1.09	0.00	0.00	0.00	0.00	0.00									
Elmira MSA-21300	73	1.20	10.60	17.81	15.18	13.70	46.10	30.14	28.09	38.36	1.36	0.00	0.00	1.27	2.89									
Glens Falls MSA 24020	109	1.79	0.00	0.00	19.49	4.59	80.51	95.41	0.00	0.00	1.22	0.00	1.04	1.72	0.00									
Ithaca MSA-27060	32	0.53	0.00	0.00	23.49	31.25	63.54	68.75	12.96	0.00	0.48	0.00	0.88	0.39	0.00									
Kingston MSA 28740	5	0.08	0.00	0.00	29.40	0.00	70.60	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00									
Rochester MSA-40380	476	7.82	1.41	5.46	12.43	16.60	68.84	69.33	17.20	8.61	3.07	9.68	5.51	3.28	1.60									
Syracuse MSA-45060	179	2.94	12.90	9.50	12.16	16.76	45.48	45.25	29.47	28.49	0.59	0.87	1.39	0.39	0.58									
Utica Rome MSA-46540	128	2.10	0.00	0.00	0.00	0.00	93.41	100.00	6.59	0.00	0.85	0.00	0.00	1.55	0.12									

* Based on 2010 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 (2011).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: NEW YORK STATE							Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011						
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms** *	% BANK Loans	% of Farms** *	% BANK Loans	% of Farms** *	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA	987	42.32	0.00	0.00	4.70	0.51	93.19	99.29	2.12	0.20	72.04	0.00	0.00	73.15	100.00
Southern Non-MSA	942	40.39	0.07	0.00	2.15	2.12	90.66	83.76	7.12	14.12	51.05	0.00	62.50	48.81	71.93
Limited Review:															
Albany-Sch-Troy MSA AA	0	0.00	0.00	0.00	57.41	0.00	42.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Binghamton MSA AA	85	3.64	0.00	0.00	2.82	0.00	71.75	92.94	25.42	7.06	46.00	0.00	0.00	50.00	20.00
Buffalo Niagara MSA-15380	12	0.51	0.00	0.00	1.27	0.00	58.39	100.00	40.34	0.00	6.90	0.00	0.00	12.90	0.00
Central Region Non MSA	0	0.00	0.00	0.00	0.00	0.00	99.89	0.00	0.11	0.00	0.00	0.00	0.00	0.00	0.00
Elmira MSA-21300	0	0.00	0.66	0.00	9.87	0.00	62.50	0.00	26.97	0.00	0.00	0.00	0.00	0.00	0.00
Glens Falls MSA 24020	1	0.04	0.00	0.00	10.64	0.00	89.36	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ithaca MSA-27060	1	0.04	0.00	0.00	8.12	0.00	83.77	100.00	8.12	0.00	0.00	0.00	0.00	0.00	0.00
Kingston MSA 28740	0	0.00	0.00	0.00	33.33	0.00	66.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rochester MSA-40380	219	9.39	0.07	0.00	5.62	2.74	81.21	94.52	13.10	2.74	30.45	0.00	10.00	32.24	23.53
Syracuse MSA-45060	79	3.39	2.03	0.00	9.25	11.39	48.21	77.22	40.50	11.39	40.00	0.00	57.14	48.39	9.09
Utica Rome MSA-46540	6	0.26	0.00	0.00	0.00	0.00	95.65	100.00	4.35	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2010 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2011).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK STATE								Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA	1,568	35.60	20.36	8.74	19.21	18.90	23.22	28.10	37.21	44.26	13.99	17.83	13.55	13.24	14.35
Southern Non-MSA	1,761	39.99	18.74	10.12	19.04	25.98	23.54	27.68	38.68	36.22	12.45	9.33	11.21	13.89	13.14
Limited Review:															
Albany-Sch-Troy MSA AA	1	0.02	22.47	0.00	24.20	100.00	24.14	0.00	29.20	0.00	0.00	0.00	0.00	0.00	0.00
Binghamton MSA AA	41	0.93	17.59	15.00	18.10	25.00	24.34	20.00	39.97	40.00	1.33	4.26	1.28	0.00	1.81
Buffalo Niagara MSA-15380	76	1.73	11.17	13.51	16.79	24.32	23.56	28.38	48.48	33.78	0.62	1.34	0.32	0.69	0.64
Central Region Non MSA	34	0.77	19.48	12.90	20.83	19.35	22.81	35.48	36.87	32.26	0.00	0.00	0.00	0.00	0.00
Elmira MSA-21300	207	4.70	18.68	11.22	18.27	30.24	22.96	26.83	40.09	31.71	7.06	6.78	7.30	7.73	6.45
Glens Falls MSA 24020	15	0.34	20.98	0.00	19.58	20.00	24.82	20.00	34.61	60.00	1.76	0.00	0.00	2.33	2.59
Ithaca MSA-27060	32	0.73	19.02	3.23	17.72	29.03	23.35	19.35	39.91	48.39	1.08	0.00	2.22	1.00	0.66
Kingston MSA 28740	0	0.00	20.37	0.00	20.73	0.00	25.16	0.00	33.74	0.00	0.00	0.00	0.00	0.00	0.00
Rochester MSA-40380	374	8.49	19.14	17.98	20.16	29.97	25.71	24.52	34.99	27.52	3.32	4.02	3.53	3.33	2.89
Syracuse MSA-45060	193	4.38	20.49	12.85	17.82	29.05	21.33	22.91	40.35	35.20	0.76	0.99	0.84	0.47	0.86
Utica Rome MSA-46540	102	2.32	17.78	8.91	19.16	28.71	24.60	17.82	38.46	44.55	9.38	9.52	13.89	3.66	10.62

* Based on 2010 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 2.7% of loans originated and purchased by bank.

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

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			Geography: NEW YORK STATE						Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011						
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ²	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	Overall	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA	3,852	40.81	20.36	13.80	19.21	24.66	23.22	28.38	37.21	33.16	71.39	76.16	76.09	74.93	64.33
Southern Non-MSA	3,840	40.68	18.74	16.13	19.04	28.97	23.54	27.60	38.68	27.30	46.42	56.61	48.57	46.12	41.33
Limited Review:															
Albany-Sch-Troy MSA AA	3	0.03	22.47	0.00	24.20	33.33	24.14	33.33	29.20	33.33	0.00	0.00	0.00	0.00	0.00
Binghamton MSA AA	111	1.18	17.59	16.51	18.10	31.19	24.34	31.19	39.97	21.10	13.29	17.39	16.67	17.39	6.78
Buffalo Niagara MSA-15380	224	2.37	11.17	14.41	16.79	31.53	23.56	27.03	48.48	27.03	14.21	14.29	11.65	17.59	13.39
Central Region Non MSA	68	0.72	19.48	12.31	20.83	23.08	22.81	35.38	36.87	29.23	0.43	0.00	0.00	0.00	1.20
Elmira MSA-21300	168	1.78	18.68	6.21	18.27	18.63	22.96	27.33	40.09	47.83	13.11	5.88	6.59	21.35	14.81
Glens Falls MSA 24020	17	0.18	20.98	41.18	19.58	17.65	24.82	11.76	34.61	29.41	9.89	27.27	0.00	8.00	10.26
Ithaca MSA-27060	56	0.59	19.02	10.71	17.72	33.93	23.35	19.64	39.91	35.71	4.79	5.71	4.35	5.41	4.39
Kingston MSA 28740	2	0.02	20.37	50.00	20.73	50.00	25.16	0.00	33.74	0.00	0.00	0.00	0.00	0.00	0.00
Rochester MSA-40380	709	7.51	19.14	20.26	20.16	27.79	25.71	27.06	34.99	24.89	16.39	16.47	15.82	18.45	14.84
Syracuse MSA-45060	251	2.66	20.49	18.33	17.82	27.50	21.33	26.25	40.35	27.92	5.51	11.59	6.01	4.70	4.07
Utica Rome MSA-46540	138	1.46	17.78	11.59	19.16	31.88	24.60	28.26	38.46	28.26	15.69	11.11	17.65	16.67	16.07

^{*} Based on 2010 Peer Mortgage Data (USPR)

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

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

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

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

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK STATE				Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					Market Share				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families*	% BANK Loans****	% Families*	% BANK Loans***						
Full Review:																
Northern Non-MSA	1,633	35.78	20.36	5.58	19.21	15.28	23.22	26.13	37.21	53.01	16.51	19.77	17.66	15.27	16.61	
Southern Non-MSA	1,714	37.55	18.74	8.48	19.04	20.87	23.54	27.27	38.68	43.38	14.74	19.02	19.25	14.78	12.91	
Limited Review:																
Albany-Sch-Troy MSA AA	3	0.07	22.47	33.33	24.20	0.00	24.14	0.00	29.20	66.67	0.00	0.00	0.00	0.00	0.00	
Binghamton MSA AA	38	0.83	17.59	10.81	18.10	29.73	24.34	21.62	39.97	37.84	1.82	3.33	2.65	0.80	1.77	
Buffalo Niagara MSA-15380	105	2.30	11.17	4.90	16.79	21.57	23.56	31.37	48.48	42.16	0.52	1.10	0.46	0.95	0.27	
Central Region Non MSA	59	1.29	19.48	7.27	20.83	23.64	22.81	30.91	36.87	38.18	0.00	0.00	0.00	0.00	0.00	
Elmira MSA-21300	181	3.97	18.68	6.90	18.27	13.79	22.96	23.56	40.09	55.75	6.53	17.07	4.55	4.25	7.20	
Glens Falls MSA 24020	21	0.46	20.98	15.00	19.58	25.00	24.82	30.00	34.61	30.00	2.82	11.76	2.22	4.49	1.47	
Ithaca MSA-27060	87	1.91	19.02	2.30	17.72	13.79	23.35	26.44	39.91	57.47	4.09	0.00	4.02	4.19	4.42	
Kingston MSA 28740	0	0.00	20.37	0.00	20.73	0.00	25.16	0.00	33.74	0.00	0.00	0.00	0.00	0.00	0.00	
Rochester MSA-40380	492	10.78	19.14	9.68	20.16	23.79	25.71	29.47	34.99	37.05	4.01	5.18	3.95	5.12	3.30	
Syracuse MSA-45060	157	3.44	20.49	9.79	17.82	13.29	21.33	34.97	40.35	41.96	0.92	1.08	0.59	1.42	0.75	
Utica Rome MSA-46540	74	1.62	17.78	4.05	19.16	17.57	24.60	36.49	38.46	41.89	3.78	4.35	4.69	5.88	2.46	

* Based on 2010 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 3.9% of loans originated and purchased by bank.

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

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: NEW YORK STATE			Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011				
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:									
Northern Non-MSA	2,806	46.08	65.26	69.42	79.29	12.44	8.27	13.59	20.38
Southern Non-MSA	2,048	33.63	67.83	67.19	78.42	13.96	7.62	8.19	15.73
Limited Review:									
Albany-Sch-Troy MSA AA	3	0.05	68.83	33.33	100.00	0.00	0.00	0.00	0.00
Binghamton MSA AA	40	0.66	71.23	75.00	82.50	7.50	10.00	0.49	0.66
Buffalo Niagara MSA-15380	98	1.61	67.67	70.41	70.41	17.35	12.24	0.26	0.60
Central Region Non MSA	92	1.51	69.49	68.48	80.43	13.04	6.52	0.00	0.00
Elmira MSA-21300	73	1.20	64.67	76.71	73.97	13.70	12.33	1.36	3.11
Glens Falls MSA 24020	109	1.79	70.86	86.24	85.32	7.34	7.34	1.22	2.39
Ithaca MSA-27060	32	0.53	67.55	81.25	53.13	15.63	31.25	0.48	0.90
Kingston MSA 28740	5	0.08	71.00	40.00	100.00	0.00	0.00	0.00	0.00
Rochester MSA-40380	476	7.82	69.37	75.21	78.99	13.66	7.35	3.07	6.79
Syracuse MSA-45060	179	2.94	67.62	54.75	65.92	14.53	19.55	0.59	1.18
Utica Rome MSA-46540	128	2.10	73.44	74.22	85.94	9.38	4.69	0.85	2.19

^{*} Based on 2010 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 - 2011).

^{****} 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 3.94% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: NEW YORK STATE			Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Northern Non-MSA	987	42.32	97.57	94.83	81.46	16.41	2.13	72.04	79.55
Southern Non-MSA	942	40.39	98.32	95.97	82.70	14.12	3.18	51.05	56.57
Limited Review:									
Albany-Sch-Troy MSA AA	0	0.00	99.26	0.00	0.00	0.00	0.00	0.00	0.00
Binghamton MSA AA	85	3.64	98.31	100.00	89.41	10.59	0.00	46.00	51.11
Buffalo Niagara MSA-15380	12	0.51	96.76	91.67	83.33	16.67	0.00	6.90	8.57
Central Region Non MSA	0	0.00	99.03	0.00	0.00	0.00	0.00	0.00	0.00
Elmira MSA-21300	0	0.00	96.71	0.00	0.00	0.00	0.00	0.00	0.00
Glens Falls MSA 24020	1	0.04	100.00	100.00	100.00	0.00	0.00	0.00	0.00
Ithaca MSA-27060	1	0.04	96.10	100.00	0.00	100.00	0.00	0.00	0.00
Kingston MSA 28740	0	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
Rochester MSA-40380	219	9.39	97.26	96.35	88.13	10.05	1.83	30.45	38.76
Syracuse MSA-45060	79	3.39	95.78	87.34	73.42	16.46	10.13	40.00	47.06
Utica Rome MSA-46540	6	0.26	98.91	100.00	83.33	16.67	0.00	0.00	0.00

* Based on 2010 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2011).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NEW YORK STATE				Evaluation Period: December 12, 2008 TO March 11, 2012			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Northern Non-MSA	0	0	59	8,706	59	8,706	14.52	0	0
Southern Non-MSA	0	0	90	10,307	90	10,307	17.19	0	0
Limited Review:									
Albany-Sch-Troy MSA AA	0	0	1	561	1	561	.94	0	0
Binghamton MSA AA	0	0	4	486	4	486	.81	0	0
Buffalo Niagara MSA-15380	0	0	2	1,267	2	1,267	2.11	0	0
Central Region Non MSA	0	0	20	334	2	334	.56	0	0
Elmira MSA-21300	0	0	5	1,015	5	1,015	1.69	0	0
Glens Falls MSA 24020	0	0	1	98	1	98	.16	0	0
Ithaca MSA-27060	0	0	7	3,039	7	3,039	5.07	0	0
Kingston MSA 28740	0	0	0	0	0	0	0.00	0	0
Rochester MSA-40380	0	0	51	10,938	51	10,938	18.24	0	0
Syracuse MSA-45060	0	0	107	22,841	107	22,841	38.10	0	0
Utica Rome MSA-46540	0	0	1	364	1	364	.61	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 STATE				Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					
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:																	
Northern Non-MSA	33.61	45	31.25	0.00	8.89	88.89	2.22	0	2	0	0	-2	0	0.52	11.20	82.71	4.79
Southern Non-MSA	30.34	49	34.03	2.04	8.16	81.63	8.16	0	1	0	0	-1	0	0.70	6.78	82.23	9.96
Limited Review:																	
Albany-Sch-Troy MSA AA	1.25	2	1.39	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	39.62	58.07	0.00
Binghamton MSA AA	1.80	3	2.08	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	12.92	61.37	25.71
Buffalo Niagara MSA-15380	1.18	3	2.08	0.00	0.00	100.00	0.00	1	0	0	0	0	+1	0.00	2.37	52.88	44.00
Central Region Non MSA	16.02	17	11.81	0.00	5.88	94.12	0.00	0	0	0	0	0	0	0.00	2.01	94.54	1.84
Elmira MSA-21300	2.04	2	1.39	50.00	0.00	0.00	50.00	0	0	0	0	0	0	3.26	17.11	53.53	23.89
Glens Falls MSA 24020	1.36	2	1.39	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	14.49	85.51	0.00
Ithaca MSA-27060	.13	1	.69	0	100.00	0.00	0.00	0	0	0	0	0	0	0.00	14.62	66.37	19.01
Kingston MSA 28740	.63	1	.69	0.00	100.00	0.00	0.00	0	0	0	0	0	0	0.00	25.87	74.13	0.00
Rochester MSA-40380	7.42	11	7.64	9.09	27.27	54.55	9.09	1	0	0	0	+1	0	1.04	11.97	72.68	13.21
Syracuse MSA-45060	1.88	5	3.47	0.00	20.00	40.00	40.00	1	0	0	0	+1	0	9.62	15.97	44.04	30.37
Utica Rome MSA-46540	2.38	3	2.08	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	91.19	8.81

Tables of Performance Data

Pennsylvania

Institution ID: Community Bank NA - Charter # 8531

Table 1. Lending Volume

LENDING VOLUME		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011				
Assessment Area (2011):	% 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:												
Scranton-WB-Hazleton MS 42540	85.95	2,269	201,635	1,503	197,569	8	171	2	1,500	3,782	400,875	91.92
Limited Review:												
PA Non-MSA	14.05	451	28,312	154	20,341	13	403	4	735	622	49,791	8.08

* Loan Data as of December 31, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from December 12, 2008 to March 11, 2012.

*** Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Institution ID: Community Bank NA - Charter # 8531

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: PENNSYLVANIA					Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Scranton-WB-Hazleton MSA-42540	431	82.41	0.03	0.23	7.89	6.50	74.88	75.41	17.20	17.87	2.23	0.00	1.73	2.57	1.41	
Limited Review:																
PA Non-MSA	92	17.59	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	5.81	0.00	0.00	5.81	0.00	

* Based on 2010 Peer Mortgage Data (USPR)

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

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

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

Institution ID: Community Bank NA - Charter # 8531

Table 3. Geographic Distribution of Home Improvement

Geographic Distribution: HOME IMPROVEMENT		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Scranton-WB-Hazleton MSA-42540	932	79.25	0.03	0.32	7.89	4.83	74.88	79.40	17.20	15.45	14.50	0.00	9.38	15.05	13.83
Limited Review:															
PA Non-MSA-99999	244	20.75	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	20.18	0.00	0.00	20.18	0.00

* Based on 2010 Peer Mortgage Data (USPR)

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

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

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

Institution ID: Community Bank NA - Charter # 8531

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: PENNSYLVANIA				Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies							
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overa ll	Low	Mod	Mid	Upp	
Full Review:																
Scranton-WB-Hazleton MSA-42540	892	88.76	0.03	0.11	7.89	3.59	74.88	71.30	17.20	25.00	3.10	0.00	3.24	3.29	2.66	
Limited Review:																
PA Non-MSA-99999	113	11.24	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	2.80	0.00	0.00	2.80	0.00	

* Based on 2010 Peer Mortgage Data (USPR)

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

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 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: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011							
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:															
Scranton-WB-Hazleton MSA-42540	14	87.50	6.46	0.00	23.06	7.14	60.87	57.14	9.60	35.71	8.51	0.00	0.00	5.56	50.00
Limited Review:															
PA Non-MSA	2	12.50	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2010 Peer Mortgage Data (USPR)

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multifamily 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: PENNSYLVANIA				Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011							
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Scranton-WB-Hazleton MSA-42540	1,503	90.71	3.13	1.40	9.68	5.72	69.38	78.18	17.82	14.70	5.65	4.02	4.06	6.68	4.12
Limited Review:															
PA Non-MSA	154	9.29	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	4.29	0.00	0.00	5.17	0.00

* Based on 2010 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 (2010).

Institution ID: Community Bank NA - Charter # 8531

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: PENNSYLVANIA					Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					Market Share (%) by Geography				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans						
Full Review:																
Scranton-WB-Hazleton MSA-42540	8	38.10	0.13	0.00	3.03	0.00	71.12	100.00	25.73	0.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
PA Non-MSA	13	61.90	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	3.41	0.00	0.00	3.80	0.00	

* Based on 2010 Peer Small Business Data -- US and PR

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

*** Source Data - Dun and Bradstreet (2010).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: PENNSYLVANIA								Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁴	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Scranton-WB-Hazleton MSA-42540	431	82.41	19.02	5.67	18.75	18.72	22.88	24.88	39.34	50.74	2.26	1.42	1.08	2.83	2.89
Limited Review:															
PA Non-MSA	92	17.59	19.08	6.74	20.63	17.98	23.12	25.84	37.17	49.44	5.94	9.38	3.85	6.14	6.38

* Based on 2010 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 5.4% of loans originated and purchased by bank.

⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: PENNSYLVANIA								Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011					
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁵	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Scranton-WB-Hazleton MSA-42540	932	79.25	19.02	16.20	18.75	23.42	22.88	25.86	39.34	34.52	14.66	12.83	16.26	16.80	13.31
Limited Review:															
PA Non-MSA	244	20.75	19.08	19.25	20.63	20.08	23.12	26.78	37.17	33.89	20.00	26.47	23.94	18.89	16.92

* Based on 2010 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 3.1% of loans originated and purchased by bank.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: PENNSYLVANIA						Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁶	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans*** *	Overa ll	Low	Mod	Mid	Upp
Full Review:															
Scranton-WB-Hazleton MSA-42540	892	88.76	19.02	6.41	18.75	17.48	22.88	25.06	39.34	51.05	3.33	3.80	3.24	3.08	3.41
Limited Review:															
PA Non-MSA	113	11.24	19.08	5.36	20.63	31.25	23.12	25.00	37.17	38.39	3.12	2.63	5.30	3.47	2.33

* Based on 2010 Peer Mortgage Data (USPR)

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

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

**** As a percentage of loans with borrower income information available. No information was available for 3.5% of loans originated and purchased by bank.

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

Institution ID: Community Bank NA- Charter # 8531

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: PENNSYLVANIA			Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011				
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:									
Scranton-WB-Hazleton MSA-42540	1,503	90.71	74.25	59.35	68.93	17.10	13.97	5.65	8.04
Limited Review:									
PA Non-MSA	154	9.29	70.10	72.73	65.58	20.78	13.64	4.29	7.13

* Based on 2010 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 - 2010).

**** 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 2.17% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: PENNSYLVANIA			Evaluation Period: JANUARY 1, 2008 TO DECEMBER 31, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Scranton-WB-Hazleton MSA-42540	8	38.10	96.60	100.00	100.00	0.00	0.00	0.00	0.00
Limited Review:									
PA Non-MSA	13	61.90	100.00	100.00	100.00	0.00	0.00	3.41	4.29

* Based on 2010 Peer Small Business Data -- US and PR

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

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2010).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Institution ID: Community Bank NA - Charter # 8531

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: PENNSYLVANIA				Evaluation Period: December 12, 2008 TO March 11, 2012			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Scranton-WB-Hazleton MSA-42540	0	0	18	20,752	18	20,752	98.51	0	0
Limited Review:									
PA Non-MSA	0	0	2	313	2	313	1.49	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 TO DECEMBER 31, 2011								Geography: PENNSYLVANIA				Evaluation Period: JANUARY 1, 2008					
MA/Assessment Area:	Deposit s	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposit s in AA	# of BANK Branch es	% of Rated Area Branch es in AA	Location of Branches by Income of Geographies (%)				# of Branch Openin gs	# of Branch Closing s	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:																	
Scranton-WB-Hazleton MSA-42540	91.92	21	80.77	4.76	9.52	66.67	19.05	0	1	0	0	-1	0	0.46	10.26	73.22	16.06
Limited Review:																	
PA Non-MSA	8.08	5	19.23	0.00	0.00	100.0 0	0.00	1	0	0	0	1	0	0.00	0.00	100.0 0	0.00