



Comptroller of the Currency
Administrator of National Banks

Northeastern District Office
340 Madison Avenue, Fifth Floor
New York, New York 10173-0002

Licensing Division
Telephone No.: (212) 790-4055
Fax No.: (301) 333-7015

September 17, 2008

Conditional Approval #879
October 2008

George J. Getman
Executive Vice President and General Counsel
Community Bank, National Association
5790 Widewaters Parkway
DeWitt, New York 13214-1883

RE: Application by Community Bank, National Association, Canton, New York to purchase certain and assume certain liabilities of eighteen New York branches of RBS Citizens, National Association, Providence, Rhode Island.
Application Control No.: 2008 NE 02 020

Dear Mr. Getman:

Today, I conditionally approved the application filed by Community Bank, National Association, Canton, New York to purchase certain assets and assume certain liabilities of eighteen New York branches of RBS Citizens, National Association, Providence, Rhode Island. This approval is granted based on a thorough review of all information available, including commitments and representations made in the application, purchase and assumption agreement, and those of your representatives.

I reviewed the proposed purchase and assumption transaction under the criteria of the Bank Merger Act, 12 USC § 1828(c), and applicable OCC regulations and policies. Among other matters, I found that the proposed transaction would not have significant anticompetitive effects. I considered the financial and managerial resources of the banks, their future prospects, the convenience and needs of the communities to be served, and their effectiveness in combating money laundering activities. I considered these factors and found them consistent with approval.

This approval is subject to the following condition:

Community Bank, National Association must continue to maintain capital at the “well-capitalized” level, as defined in 12 CFR Part 3, at the time of and following consummation of this branch acquisition.

The condition of this approval is a condition imposed in writing by the federal banking agency in connection with the granting of any application or other request within the meaning of 12 USC § 1818. As such, the condition is enforceable under 12 USC § 1818.

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As a reminder, the Northeastern Licensing Division must be advised in writing ten (10) business days in advance of the desired effective date for the purchase and assumption, so it may issue the necessary certification letter. The effective date must follow the applicable Department of Justice's injunction period and any other required regulatory approval.

Prior to the consummation of the purchase and assumption, provide a Secretary's Certificate from Community Bank, National Association certifying that a majority of the board of directors approved the purchase and assumption.

If the purchase and assumption is not consummated within one year from the approval date, the approval shall automatically terminate, unless the OCC grants an extension of the time period.

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

A separate letter is enclosed requesting your feedback on how the OCC handled your application. We would appreciate your response so we may continue to improve our service. All correspondence regarding this application should reference the control number. If you have any questions, contact Licensing Analyst Robin J. Miller at (212) 790-4015 or by e-mail Robin.Miller@occ.treas.gov.

Sincerely,

signed

J. Greg Parvin
Director for District Licensing

Enclosure: Survey Letter