

BUREAU OF FINANCIAL INSTITUTIONS
Department of Professional and Financial Regulation
State of Maine



ORDER APPROVING APPLICATION OF
COMMUNITY BANK SYSTEMS, INC. TO ACQUIRE
NORTHEAST RETIREMENT SERVICES, INC.
AND ITS WHOLLY-OWNED SUBSIDIARY GLOBAL TRUST COMPANY

Community Bank Systems, Inc., DeWitt, New York (“Community”) has filed a Notice of Change of Control (“Application”) with the Superintendent of the Maine Bureau of Financial Institutions (“Bureau”), pursuant to Title 9-B M.R.S. Chapter 105, to acquire Northeast Retirement Services, Inc., Woburn, Massachusetts (“NRS”) and its wholly-owned subsidiary Global Trust Company (“Global”), a nondepository trust company chartered by the State of Maine. Upon consummation of the transaction, Community will indirectly own NRS and Global by and through its wholly-owned subsidiary, Benefits Plan Administrative Services, Inc. (“BPAS”).

The Application was accepted for processing on December 16, 2016. The legal notice, as required by Title 9-B M.R.S. §252(2)(B), was published in the Portland Press Herald and the Boston Globe for two consecutive Wednesdays, commencing December 21, 2016. The notice to interested parties was delivered on Tuesday, December 20, 2016, providing the opportunity to submit written comments or request a hearing. There were no comments received during the 30-day public comment period which ended Friday, January 17, 2017.

A Principal Bank Examiner (the “Examiner”) of the Maine Bureau of Financial Institutions conducted an investigation of the proposed transaction using the Decision Making Criteria identified in Title 9-B M.R.S. § 253. The Superintendent in reaching his decision considered the same evidence and material considered by the Examiner.

Global is a Maine-chartered nondepository trust company providing fiduciary services for collective investment trusts and other products that commenced operations May 1, 2009. Global reported \$31 billion in fiduciary assets as of year-end 2016. NRS provides various trust-related services to institutional clients and has nearly \$1 trillion in assets under administration.

Community is a financial holding company with assets of \$8.7 billion and the parent company of BPAS, a national provider of retirement plan administration and related services. Community is also the parent of Community Bank, N.A. an \$8.7 billion asset bank operating more than 200 offices in Upstate New York and Northeastern Pennsylvania.

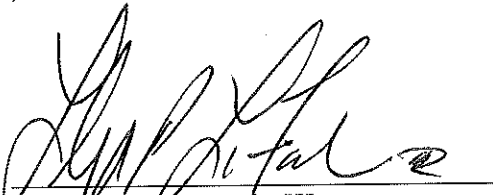
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The financial and managerial resources of both NRS and Community are satisfactory and other statutory factors are consistent with approval. Therefore, the Application of Community Bank Systems, Inc. to acquire Northeast Retirement Services, Inc. is approved. The transaction shall be completed within one year of the effective date of this Order, unless a written extension is granted by the Superintendent.

Community requested a waiver to the 30-day waiting period following promulgation of this order pursuant to Title 9-B M.R.S. §252(6) in order to consummate the transaction on February 1, 2017 due to market and business considerations. The Superintendent has determined these factors constitute extraordinary or unusual conditions and, therefore, the Superintendent agrees to grant the waiver so that the transaction may be consummated on or after February 1, 2017.

Pursuant to Title 9-B M.R.S. §256, any person aggrieved by this order shall be entitled to a judicial review of the order in accordance with the Maine Administrative Procedures Act, Title 5, Chapter 375 subchapter VII.

By order of the Superintendent, effective February 1, 2017.


Lloyd P. LaFountain III
Superintendent

Gardiner, Maine
January 27, 2017

