



## COMMUNITY REINVESTMENT ACT STATEMENT

### Our Banking Community

The local community served by Pathfinder Bank is delineated on the assessment area map and consists of:

All census tracts in Oswego County

All census tracts in Onondaga County

### Historical Perspective

Oswego City Savings Bank was incorporated on March 8, 1859, opening its doors for service on May 28th of that year. In November of 1999, the 140 year old Oswego City Savings Bank marked the turn of the century by changing its name to Pathfinder Bank.

The Bank opened its first branch at the Oswego Shopping Plaza in 1967. The Plaza branch moved into its newly erected office in 1988 at Ames Plaza, adding services like ATM and drive-up window service.

In 1978, the Bank expanded its services to the Mexico area building a new branch office.

Two branches were purchased in 1994, one in Fulton and one on East First Street in Oswego, thereby reaching our present size.

The Main Office was renovated in 1991, adding private offices for customer service representatives so as to provide confidential consultation. A streamlined lobby was also added to enhance teller speed and efficiency. A walk-up ATM was installed in 1989 which, with the Ames Plaza, Eastside Office, Fulton Office, and various offsite ATM locations throughout the county, offers basic banking services to almost all customers 24 hours a day, seven days a week. In 1996, a major renovation to the bank's loan offices and parking facilities was completed. The ATM's at the Ames Plaza, Main Office, Fulton Office, and Eastside Office were upgraded to newer models. Pathfinder Bank works with local business owners throughout our communities for placement of ATM machines, which includes a mobile ATM unit that can be placed at various locations and venues throughout Oswego County. The total number of branch and off-site ATM locations total 17 throughout our service area.

In October, 2002, the Bank acquired the Lacona office of Cayuga Bank, bringing the total service offices to 6. Along with the Lacona acquisition, the Bank formed a Limited Purpose Commercial Bank. The addition of the Commercial Bank allows for municipal deposits, which were also part of the acquisition process.

In June of 2003, the Fulton Office was relocated to 5 West First Street South. This relocation provided for a state-of-the-art building that incorporated many technology upgrades. The branch was also able to expand its drive-up service to accommodate more traffic. The parking lot accommodation is larger and the accessibility to the physical branch is easier than at the previous location.

Pathfinder Bank has taken the initiative to meet the needs of our customers who are becoming technology based. The Bank has developed an E-Commerce Department that has expanded our deposit services by providing an internet site that gives our customers the ability to manage their accounts at their convenience 24 hours a day, seven days a week. Online banking and Bill Pay services are free to the bank's customers, which include ACH and account to account features at no



charge. In 2014 mobile banking was added for the convenience of our customers. Electronic Benefit Transactions (EBT) are processed at all of our ATMs through the Quest network with no surcharge. The bank added Mobile Deposit Capture for consumers as additional convenience. During 2020, the Bank introduced a new digital banking platform that will improve our internet, mobile and business customer capabilities. In 2021, the bank began offering Zelle, a person to person funds transfer digital service to consumers as an additional convenience. The Bank will continue to rollout new capabilities to our internet customers as an additional convenience, in 2022.

In April of 2005, Pathfinder Bank constructed a new branch located at 3025 East Avenue in Central Square, NY. The branch is located in an easy access area and our services extend to the surrounding rural communities. The branch provides deposit and loan products for both individuals and commercial customers and the surrounding municipalities. This brings the total of service offices to 7.

In September of 2007, Pathfinder Bank renovated the East Office into a convenient, state of the art drive-thru facility with 3 convenient lanes, drive-up ATM, video conference technology and new Saturday and extended hours.

In February 2011, Pathfinder Bank opened a newly constructed branch located at 6194 State Route 31 in Cicero, NY. This is a full-service branch providing deposit and loan products for individuals and commercial customers and surrounding municipalities. This branch brings the total of service offices to 8.

On September 9, 2014, Pathfinder Bank opened a branch located at 109 W. Fayette St., Syracuse, NY. This was limited purpose office providing deposit and loan products to commercial and municipal customers, bringing the total of service offices to 9. In 2016 the FDIC and New York State Department of Financial Services approved the conversion of the Pike Block office located at 109 W. Fayette St., Syracuse from a limited purpose office to a full-service branch. The branch will service retail, commercial and municipal customers.

In October of 2017, the bank opened a Representative Office in Utica. This office will serve the Mohawk Valley area.

On November 19, 2018, Pathfinder Bank opened a branch located at 3775 Route 31, Liverpool, NY. This is a full-service branch providing deposit and loan products for individuals and commercial customers and surrounding municipalities. This branch brings the total of service offices to 10.

In 2020 & 2021, Pathfinder Bank anticipated opening a new branch in the Southwest Corridor of the City of Syracuse to serve our growing customer base in this market, as well as to provide community banking to an underserved neighborhood within the City of Syracuse. Unfortunately construction has been delayed, due to COVID and supply chain issues. It is anticipated that this branch will open in the 3rd Quarter 2022, bringing the total of service offices to 11, of which 4 will be in Onondaga County and the remaining in Oswego County.

On November 14, 2022 Pathfinder Bank opened its newest branch located at 506 West Onondaga Street, Syracuse, NY 13204. This is the Bank's 4th full-service branch location in Onondaga county, providing a full range of personal and business banking products and services, drive-thru, night deposit, and ATM. When choosing this Syracuse location, the Bank recognized the opportunity to



provide its customers with more convenience and simultaneously enhance its accessibility to an otherwise underbanked neighborhood.

On March 4, 2024, Pathfinder Bank announced the signing of a branch purchase and assumption agreement pursuant to which Pathfinder Bank will acquire the East Syracuse, New York branch of Berkshire Bank, located on 6611 Manlius Center Road. The purchase and assumption agreement provides for the transfer by Berkshire to Pathfinder of the facility and other associated assets of the branch, approximately \$198 million in deposits, and certain consumer and residential loans with outstanding balances of roughly \$32 million. It's expected to close on the purchase and sale of the Berkshire branch by the end of the third quarter of 2024, at which point the branch will be fully converted to operate as a Pathfinder branch office. This branch brings the total of full-service offices to 12.

On July 22, 2024, Pathfinder Bank opened its doors at 6611 Manlius Center Road, East Syracuse, NY 13057 with a successful transfer from Berkshire Bank to Pathfinder Bank. This is a full service branch, bringing the total of service offices to 13, full service branches to 12.

## Credit Services Offered

Pathfinder Bank, consistent with safe and sound banking practices, offers to the community the following services:

### Real Estate Loans:

Secured loans to individuals to purchase, construct, improve or refinance real property and improvements.

1. Conventional loans for owner occupied one to four family residences. The Bank will loan up to 97% of value when the mortgage is insured with Private Mortgage Insurance for qualified borrowers
2. Participating lender in City of Oswego, City of Fulton, and Oswego County Community Development Agency "affordable home ownership" programs.
3. Approved lender for USDA Rural Guaranteed loan program.
4. Approved lender participant in the Federal Home Loan Bank – Homebuyer Dream Program
5. Construction loans for one to four family residence.
6. Property Improvement loans.
7. Second Mortgage (Home Equity) loans
8. Mobile Homes with land
9. Loans for Residential building lots
10. Home Equity Line of Credit
11. Mobile Home Loans (Rented Lots)

**Consumer Loans:**

Secured and unsecured loans to individuals for personal, family or household purposes:

1. Passbook loans
2. Secured Personal loans:
  - a) Auto
  - b) Boat
  - c) Recreational Vehicles
  - d) Mobile Homes
3. Unsecured Personal loans
4. Unsecured Personal Line of Credit
5. Third Party Credit Cards

**Commercial Loans and Services:**

With safe and sound banking practices, and considering the size of our institution, the Bank is prepared to extend the following types of credit:

1. Conventional mortgage loans on income producing residential properties.
2. Mortgage loans on commercial properties.
3. Commercial loans, secured and unsecured.
4. Loans guaranteed by U.S. Small Business Administration
5. Leasing
6. Loans secured by the US Department of Agriculture and Rural Development and also Farm Service Agency
7. Participation in Cities of Oswego and Fulton Microloan Business Enterprise
8. Standby letters of credit
9. Merchant credit card processing
10. Remote Deposit Capture



## **Marketing**

Our marketing program is designed to reach all of our delineated communities. We advertise within the Syracuse Metropolitan Statistical Area/Metropolitan Division (MSA/MD) which includes Oswego and Onondaga counties. Pathfinder Bank advertises its products using the following mix of traditional and digital channels to reach all of our delineated communities; local newspapers and magazines, cable and streaming television, terrestrial and streaming radio, direct mail, email, social media and digital advertising. Digital advertising includes areas such as paid search, digital display ads, and sponsored content articles – ads are shared on local and brand safe network sites. We do our best to make sure our marketing resembles the communities we serve by using real customers and actual local organizations for our imagery. Our ads are inclusive to portray diversity in images that represent a variety of genders, ages, ethnicities, marital statuses, etc. Our Business Development Specialists promote services to small businesses and individuals in an "official call" type program. Direct mail, lobby display material, special local promotions, and commercial and residential information seminars are some of the other methods Pathfinder Bank uses to bring its credit and deposit services to the community.

## **Ascertaining Needs of the Credit and Deposit Services**

Our Directors, Officers and employees are encouraged to belong and serve with groups bettering the well being of our community.

They are presently serving in numerous community organizations, including Loyal Order of Moose, Fraternal Order of Elk, Kiwanis, Rotary, village, town and city governments, Chambers of Commerce, Greater Syracuse Association of Realtors, New York Business Development Corporation, Fulton and Oswego Lions Club, and Churches.

Some of our personnel and Directors serve as board members, trustees or advisors to the Oswego Hospital, Operation Oswego County, Oswego County Opportunities, Workforce Development Board, Oswego Revitalization Corp, CEO Centerstate, Riverside Cemetery Association, The United Way, YMCA, Oswego County Fair Housing Council, Friends of Oswego County Hospice, Friends of Oswego Library, Downtown City of Syracuse Committee, Home Headquarters, Fulton Block Builders, Oswego County Land Bank, and Heritage Foundation. Personnel also participate as instructors in the FDIC Money Smart program in conjunction with SUNY Oswego and Cayuga Community College and local service organizations and schools to provide financial literacy to the community.

The bank also offers speakers to organizations and teaching services to the local schools. Our personnel are deeply rooted in our community providing help and, in some instances, leadership to the organizations they serve. This develops the channels of communication with our community and allows us to ascertain its credit and deposit service needs.

APPROVED BY THE THE BOARD OF DIRECTORS

DATE May 31, 2024