

MAP OF NORWICH VILLAGE CHENANGO COUNTY, N. Y.

Designed & Published by
M. De V. MARTIN
1856



Residence of R. Johnson, Esq.



Residence of S. H. Perkins, Esq.



Residence of O. M. Buchanan



George Smith's Agricultural Instrument Building



Residence of W. Baker



Residence of H. Washburn, Esq.



Residence of D. C. Perkins



Residence of A. B. Hale, Esq.



Residence of R. E. Washburn, Esq.



John Latta, Esq. & Sons, Esq.



Residence of J. H. Perkins



Residence of J. H. Perkins



Residence of J. H. Perkins



Residence of J. H. Perkins

**NBT BANK:
A HISTORY
OF
GROWTH
AND CHANGE
§
1856-2016**





1856

BANK OF NORWICH

1865

The National Bank of Norwich

1925

THE NATIONAL BANK AND TRUST COMPANY
OF NORWICH



1989

NBT / *The National Bank
and Trust Company*

1995



NBT BANK: A HISTORY OF GROWTH AND CHANGE 1856–2016

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INTRODUCTION
A Journey of People & Progress
DECEMBER 2016

It's been a long journey from that first lone storefront on South Main Street in Norwich, N.Y., to the opening of our office in Portland, Me., on the Atlantic Seaboard. Especially when you consider all that transpired in between.

It occurs to me that any telling of NBT Bank's story is likely to fall short, only because so many people have contributed so much to make these first 160 years possible. I think we can all agree that behind every remarkable milestone and moment celebrated, there were unsung late nights, unseen backroom debates, quiet strokes of genius and some hard-knock lessons that made our people stronger.

We are—and have always been—a people-focused organization. In that spirit, I encourage you to read between the lines in this accounting of NBT Bank's history, and join me in acknowledging the unheralded employees who did their best to advance our company, even when nobody was watching.

From the pioneering years of the 1800s, to the Great Depression of the 1930s, to the Great Recession of 2007 to 2009, NBT Bank has always answered every challenge—without losing sight of its integrity and humility as an independent community bank.

I hope you enjoy the story as much as I have, and the stories yet to come.



Martin Dietrich
Chairman
NBT Bank, N.A. and
NBT Bancorp Inc.

NBT Bank's Headquarters, Norwich, N.Y.



The Land of Milk and Hammers

EARLY 1800S

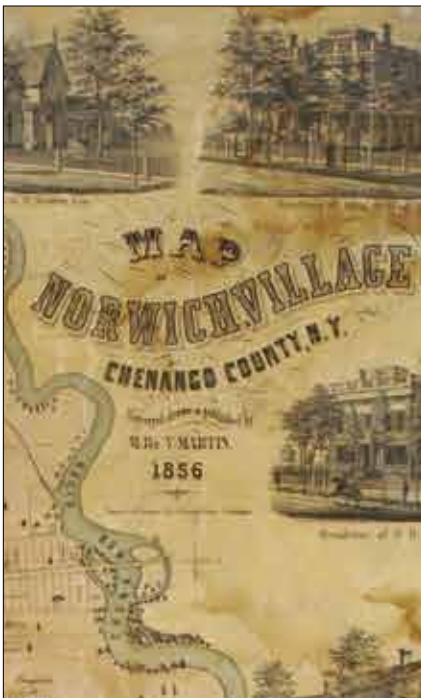
Norwich, formed in 1793, was part of an “isolated wilderness”¹ for the first four-and-a-half decades of its existence. Moving goods and people by land or water was slow, difficult and expensive. The roads were bad, and the rivers were unpredictable. Norwich had “very little industry except small shops for local consumption.”² Once the 97-mile Chenango Canal opened in 1837, however, the town of about 4,300 became an important stopover on the 5-m.p.h. journey between the Susquehanna River in Binghamton and the Erie Canal in Utica. The Chenango Canal drastically cut travel times and costs—the trip from Binghamton to Albany took four days instead of nine. Between April and November each year, some 300 passenger boats and freight barges navigated the 40-foot-wide, 4-foot-deep waterway on a monthly basis. In much of Chenango County, the canal ran adjacent to the current Route 12 and Route 12B.³

With its connection to the Erie Canal and the rest of the state, the Chenango Canal provided access to large commercial centers, namely the all-important New York City market. Iron ore. Coal. Farm products. Wool. Lumber. Textiles. Stone. These and more flowed up and down the Chenango Canal during its heyday, before the railroads expanded in the 1860s and 1870s. The Erie Canal, completed in 1825 and considered the engineering marvel of the day if not century, connected the Atlantic Ocean to the Great Lakes, which sat on the edge of the American frontier. Virtually every major city in upstate New York—Buffalo, Rochester, Syracuse, Utica and Albany—grew and prospered in its wake.⁴

The Chenango Canal “allowed many Chenango County entrepreneurs to successfully develop businesses, including David Maydole’s hammer factory in Norwich and Hart stoneware pottery in Sherburne. The ready access to major markets also spurred the development of butter and cheese factories, giving dairy farmers a profitable outlet for their milk.”⁵ David Maydole (pronounced muh-DOLE) was a Norwich blacksmith who solved one of the nineteenth-century’s trickiest problems: how to keep hammer heads from flying off their handles. Maydole was fond of saying, “I can’t make a pretty good hammer; I make the best hammer that’s made.” His

hammer factory, established in 1847, was producing more than 500 hammers a day by the 1860s. His company would eventually become the largest hammer manufacturer in the nation, and he would later become a director of NBT Bank.⁶

Other notable Chenango Canal-era businesses located in Norwich included E.T. Hayes’ Piano Forte Manufactory (formed in 1838), which turned out some 300 pianos a year. The Hayes legend literally surrounds NBT Bank, since the street to the right of the bank’s



Part of an illustrated map showing Norwich in 1856. This map is on display at NBT Bank’s headquarters.

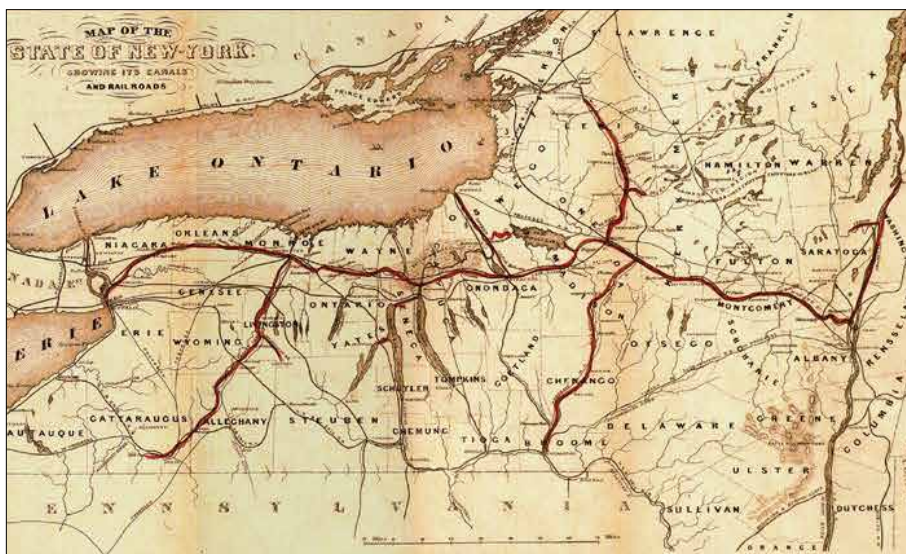
This Norwich map section, from 1875, shows the Chenango Canal’s route near locations now occupied by NBT Bank’s headquarters (indicated by the blue star).



headquarters is named Hayes Street and the street to the left was once called Piano Street (now Eaton Avenue). Before electricity, the Gas Works (started in 1862 and co-owned by E.T. Hayes) provided gas lighting to buildings, houses and streets. Each year, the Norwich Charcoal Blast Furnace (launched in 1856) generated 1,500 tons of pig iron that local foundries made into fences and other products.⁷

And then there was Gail Borden. By the time he was 50, this native of Norwich had made a fortune from his various businesses and inventions. But he was convinced that food preservation was the wave of the future. In 1850, he risked and lost nearly all his money on his “meat biscuit.” The dehydrated meat product mixed with flour failed to catch on with the general public.⁸ Yet this experience helped him solve another of the century’s biggest challenges: how to keep milk from spoiling quickly due to a lack of refrigeration and preservation techniques.

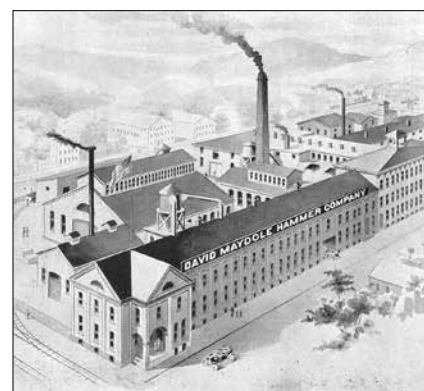
While traveling on a ship from England in 1852, Borden saw several infants die from drinking the tainted milk of cows that were on board to provide fresh milk. Afterward, the self-taught scientist set out to purify and condense milk by boiling and evaporating it in a closed container.⁹ In 1856, he received a patent for condensed milk, which not only benefited infants but also proved a popular drink with Civil War soldiers. Of his crowning achievement, Borden—known as the “father of the modern dairy industry”—summed it up this way on his gravestone epitaph: “I tried and failed, I tried again and again, and succeeded.”¹⁰ The Borden Company would later grow into an international dairy, food, chemical and packaging conglomerate. Borden dairies in Norwich and surrounding areas would become major customers of NBT Bank.¹¹



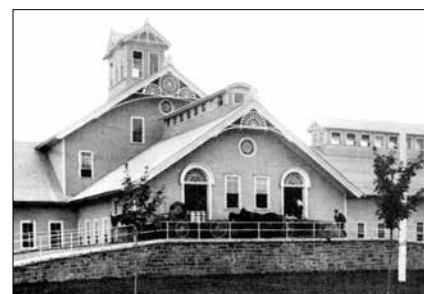
This 1858 map shows New York State’s canals, including the Chenango and all-important Erie, which ran from the Hudson River near Albany to Lake Erie near Buffalo. The towns and commerce that developed along the canals eventually attracted railroads. All of this was integral to the growth of NBT Bank and the Norwich area.



This 1860s painting—*The Old Chenango Canal*, by Henry Isaac Plumb—shows a freight barge being pulled by a team of horses on the canal’s towpath near Sherburne.



The David Maydole Hammer Company in Norwich, as it appeared in the early 1900s.



Wagons deliver milk cans to the Borden Condensery in Norwich in the early 1900s. Many similar plants were built throughout the nation, as Norwich native Gail Borden’s condensed-milk process transformed the dairy industry.

“Worthy of the High Trust”

1850s

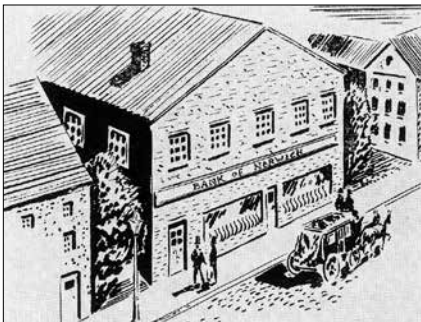
By the middle of the nineteenth century, the Chenango Canal helped bring a newfound prosperity and spirit of innovation to Norwich and surrounding areas. But a group of 11 Norwich business leaders felt something was missing. As one of them, attorney Warren Newton, would write in 1872: “Sixteen years ago the business of this community seemed to a few of the citizens to require more banking facilities than then existed.”¹ Only one bank, the Bank of Chenango, operated in Norwich in the mid-1850s. And so on January 31, 1856, these business leaders and other stockholders signed the Articles of Association forming the Bank of Norwich, which evolved into NBT Bank.

On March 3, 1856, the bank held its first board meeting, during which the bank’s president and vice president were elected and the bank’s cashier was appointed. This meeting was held in the downtown Norwich law office of Warren Newton and his brother Isaac, at the corner of South Main and East Main streets. As Warren Newton, formerly a contractor for projects that expanded the Erie and Chenango canals, later described it: “We started the bank ... under the guidance of a band of men then in active life, whose business experience made them worthy of the high trust.”²

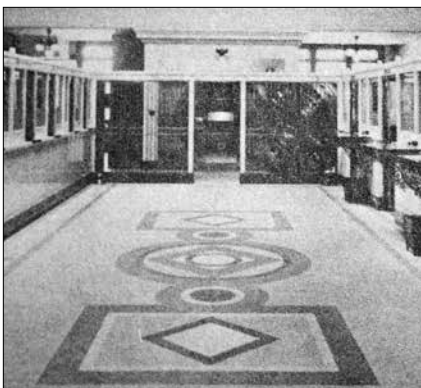
The Bank of Norwich opened for business on Tuesday, July 15, 1856, in a small storefront on South Main Street (now 18 South Broad Street), across the street from the Newtons’ law office. The original location is a block north of the bank’s current headquarters, on the same side of the street. The bank, operating under a state charter, began with capital of \$125,000 (about \$2.5 million in today’s money) that was divided into 1,250 shares of \$100 each (about \$2,000 today). There were 39 initial stockholders.³ James H. Smith was the bank’s first president. Jonathan Wells,



NBT Bank’s Articles of Association, signed on January 31, 1856.



The Bank of Norwich façade (above) and lobby (below) in the early days (at what is now 18 South Broad Street).



This \$2 banknote issued by the Bank of Norwich in 1856 is signed by two of the bank’s first four employees, Warren Newton and James H. Smith (the latter is shown in the bottom right). Banks printed their own banknotes in the days before the federal government produced paper money. Government-minted copper, silver and gold coins were legal tender and had face values equaling their metal content, but not enough of the coins were produced to meet everyday needs. That is where the banknotes came in. However, these notes were not legal tender and no one had to accept them. The notes were only as good as the capital and reputation of the bank that issued them.

once the postmaster of Norwich, was the first vice president. Warren Newton left his law practice to become the first cashier and financial manager (back then, the term cashier meant a high-ranking bank officer responsible for money received and paid out). And T. DeWitt Miller was the first teller. Smith, Wells and Newton were also among the 11 members of the bank's first board of directors (as was Miller's father, Theodore). Newton and Miller would later become presidents of the bank; Wells died while serving as vice president. Smith and Newton held the largest amount of initial stock, with 150 shares each. Although the historical record contains little information on Smith, Newton called him a "man of firmness and integrity, and whose counsels have aided largely to give to the Bank whatever of success it has enjoyed."⁴

Back in the 1800s and early 1900s, it was not uncommon for a person of means to start a bank and operate it out of the old homestead. Truman Bootman was cashier of the First National Bank of Edmeston from 1887 to 1914. The bank, which NBT Bank later acquired, was attached to the left side of his house (shown in the photo below).



The bank's first president, James H. Smith (left), and the bank's first cashier, Warren Newton (right).

The National Bank of Norwich.

Norwich, N. Y., May 15, 1872.

At a meeting of the Board of Directors of The National Bank of Norwich, convened on the occasion of the death of JAMES H. SMITH, late President of the said Bank, it was, on motion of WARREN NEWTON, Cashier of the Bank:

Resolved, That we learn with unfeigned sorrow of the sudden death of JAMES H. SMITH, President of this Association, from its organization in 1856. That in his death we lose a warm friend of the Bank and of its officers—one with whom we have been in friendly and intimate intercourse for sixteen years—one in whose judgment and prudence we have placed confidence: a man of firmness and integrity, and whose counsels have aided largely to give to the Bank whatever of success it has enjoyed. That we tender to his widow and family our sympathy in this bereavement. That, as officers of the Bank, we will close our Banking House on the day of his funeral, and in a body attend the same. That a copy of these Resolutions be sent to his widow, and furnished to the press of this town, for publication, and entered upon the Minutes of the Bank.

Mr. NEWTON, in offering these Resolutions, said: The event which has called us together should receive more than a passing notice. Sixteen years ago the business of this community seemed to a few of the citizens to require more banking facilities than then existed. Foremost among these few was the deceased. We started the Bank with thirty-nine stockholders, under the guidance of a band of men then in active life, whose business experience made them worthy of the high trust.

JONATHAN WELLS, who was Vice President of the Bank for over fifteen years, was removed by death in November last. Within six months the President and Vice President, who have sat with us in council for over fifteen years, have passed away. At our organization, and for some years subsequent thereto, there sat with us as Directors, THEODORE MILLER, ANSEL BERRY, JONATHAN WELLS and CHARLES H. WHEELER. With these men we placed JAMES H. SMITH at the head of the Bank, and that position he has at all times maintained. Not charged with the more active management, he has at all times been our adviser; and we early learned not to do what Mr. SMITH pronounced unwise. As Cashier of this Bank, I have doubtless had greater freedom of intercourse with the deceased than any other man; and I cannot tell how much I shall miss him—how much we all shall miss him—in the work that lies before us.

This death comes near, very near, to us all. Of our original band, the oldest and the youngest are gone. Of the eleven Directors in the first Board, five have died. Of the thirty-nine stockholders who with me signed the original Articles of Association, seventeen have died.

It seems, then, proper that we adopt these Resolutions, as the expression of our esteem for the deceased, and regret at his death.

N. B. HALE, Vice President. WARREN NEWTON, Cashier.

These 1872 resolutions—issued after the death of NBT Bank's first president, James H. Smith—contain the only known personal statements from bank founders about why they formed the institution.

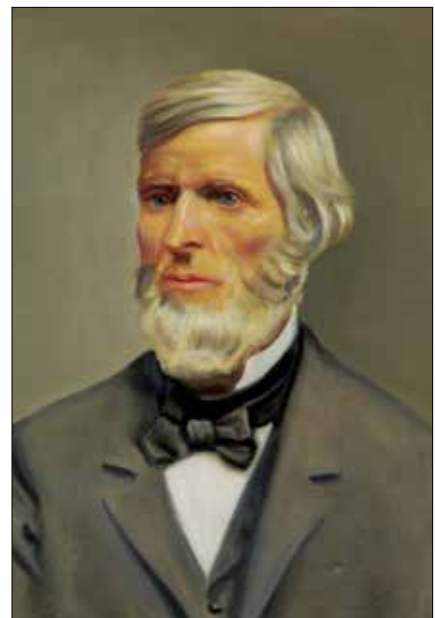


The bank's first board meeting was held in the Norwich law office of Warren and Isaac Newton on the second floor of the building shown in the photo on the left. This building is at the corner of what is now South Broad and East Main streets. The photo on the right shows the bank's original location at 18 South Broad Street, which is now a Community Bank office.



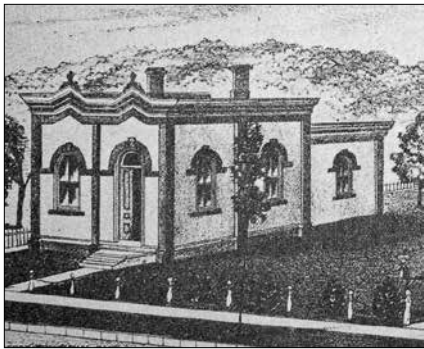
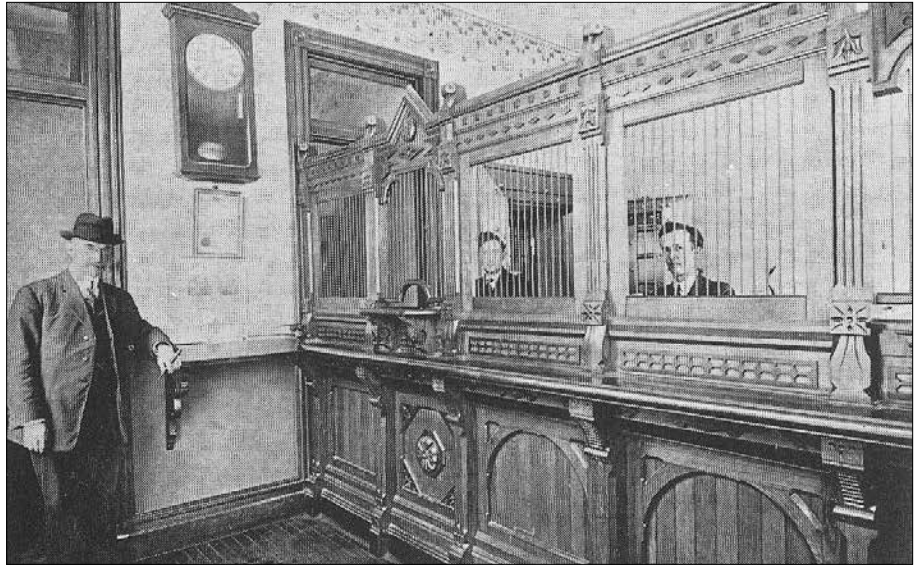
It was noted in Newton's obituary in 1891 that the bank had "earned the stockholders 400% upon its capital"⁵ in its first 35 years. By 1908, the bank had 111 stockholders, "nearly all of whom are residents of Norwich and are found in a great variety of occupations, merchants and manufacturers, business men and mechanics, professional men and farmers, as well as women who take pride in the progress of their town."⁶ Today, the company has more than 6,500 registered stockholders throughout the country. The bank paid its first stock dividend on January 15, 1857. As of 1880, the bank had "never passed a dividend. For several years it paid a semi-annual dividend of eight per cent, free of all taxes; latterly, it has paid a semi-annual dividend of five per cent."⁷ The bank has paid dividends at different intervals and different rates for the past 160 years, never missing one. In December 2016, NBT paid its 499th consecutive dividend.

This stock certificate (below), dated just 11 days after the bank opened, was issued to Nelson B. Hale (right), a former business partner of Norwich hammer manufacturer David Maydole. Hale was on the bank's first board of directors and would later serve as the bank's second president from 1872 to 1877.



BANKING IN STYLE

To reinforce their image as solid and prosperous financial institutions, banks have been known for their ornate architecture. Examples from NBT Bank's past include (clockwise from top right): the Peoples National Bank of Margaretville, Central National Bank in Canajoharie, Pioneer American Bank in Carbondale, First National Bank in Carbondale, First National Bank of Afton, The City National Bank in Gloversville and the Knapp Bank in Deposit.



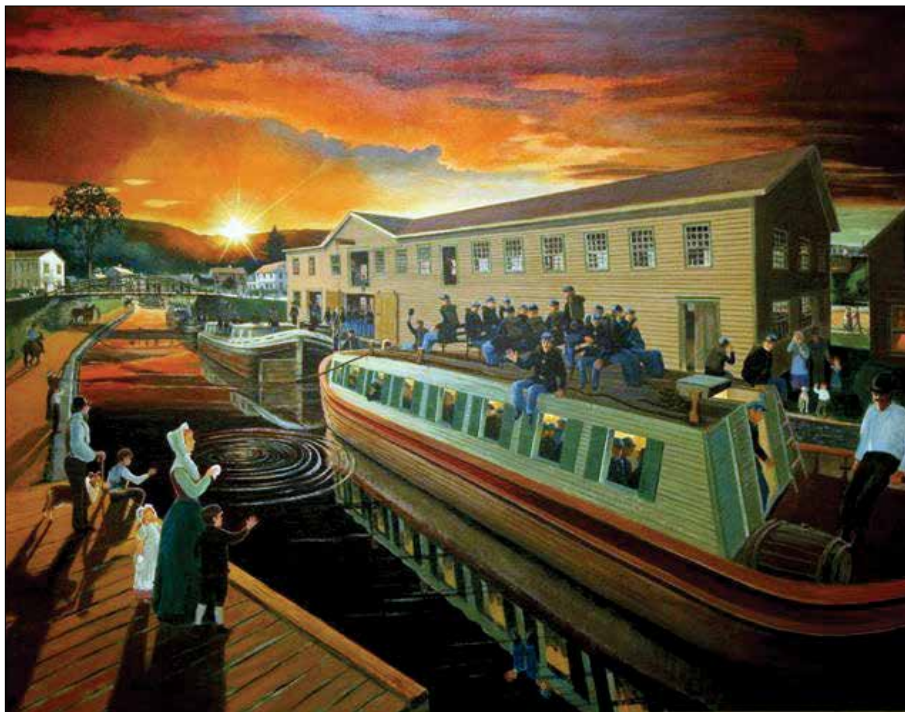
Going National

1860s



This historical marker, just south of NBT Bank's headquarters in Norwich, shows the spot where the 114th Regiment departed for the Civil War in 1862.

Norwich 1862, a 1981 painting by Chenango County artist Robert Ballou Ward, depicts soldiers of the 114th Regiment leaving Norwich on the Chenango Canal.



The state-chartered Bank of Norwich—NBT Bank's name at the time—had been in business just over a year when, in 1857, it faced its first major financial “panic.” This upheaval caused many banks in New York State to suspend operations; the Bank of Norwich was not one of them. Over the remaining years of the nineteenth century, it would face two more panics.¹ The bank had been in business less than five years when, in 1861, the Civil War broke out. Over the next four years, the war claimed the lives of 600,000 Americans, more than any other war before or since. These two factors—economic instability and war—led to major banking changes in the United States.

Financial panics were sparked by sudden, widespread fears of a collapsing economy or stock market. These panics, which typically followed times of economic prosperity, often resulted in large withdrawals of bank deposits and falling stock prices. After the Panic of 1857, “no recovery was evident in the United States for a year and a half and the full impact did not dissipate until the Civil War.”² Looking for a way to lessen the impact of these boom-and-bust cycles—and to raise money for the Civil War—President Abraham Lincoln and his Treasury secretary, Salmon Chase, sought to establish a national banking system beginning in 1861. This system, they believed, would “revive the national economy and promote a uniform system of currency and credit.”³ During the war, “one-third to one-half of the currency in circulation was counterfeit. At that time, approximately 1,600 state banks designed and printed their own bills.”⁴

Back in Norwich, the 114th Regiment of the New York State Volunteers was organized in 1862 with soldiers from Chenango, Cortland and Madison counties.

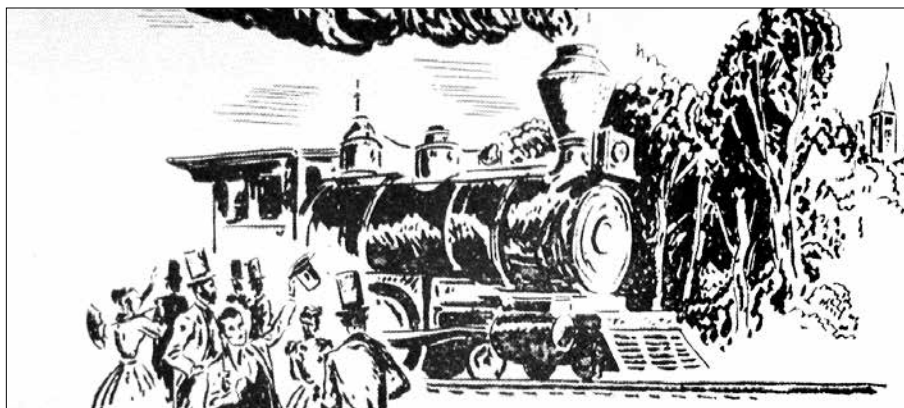
Norwich residents—including Bank of Norwich employees—raised several thousand dollars to provide for the soldiers' families during wartime. For nearly three years, the infantry regiment fought in a number of Civil War battles, including those in Louisiana and Virginia. Of the regiment's 1,000 soldiers, 422 were killed, wounded or missing by 1865.⁵

In 1863, Congress passed the National Currency Act, which created the national banking system. A year later, this act was reenacted and clarified by the National Bank Act. The new system “presented the United States with a fresh means to promote a sense of nationhood based on uniformly regulated financial institutions and a growing economy. The issuance

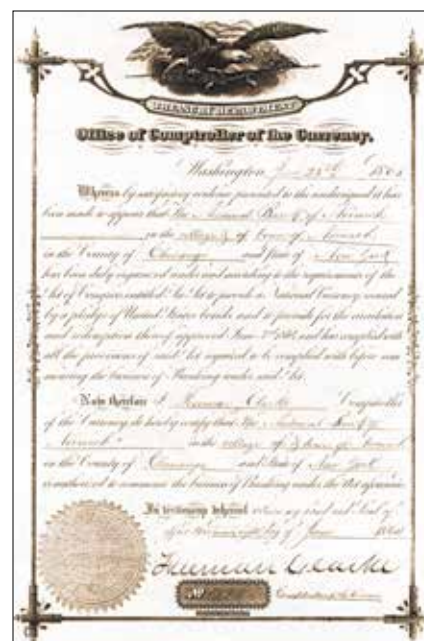
of ‘national bank notes’ by national banks alleviated a serious obstacle to interstate commerce that existed before the Civil War. Under the direction of the Comptroller of the Currency, the national banking system acquired a reputation for safety and soundness that inspired confidence from the banking public.”⁶ The new national banks were required to buy Treasury securities as part of their capitalization; the money the federal government received from the sale of these securities was vital to financing the Union’s war efforts. In turn, the Treasury securities served as backing for a new type of legal tender that held a stable value, could be reliably used nationwide and helped spur economic development.⁷

Before the 1860s, banknotes issued by state-chartered banks were only as good as the banks that issued them. The farther the banknote traveled from its issuing bank, the less likely it would be accepted. The National Bank Act of 1864 imposed a ten-percent tax on state banknotes to “drive them out of existence. As a result of this tax, the number of national banks tripled by the war’s end.”⁸ Shortly after the war, the Bank of Norwich also made the switch. On June 28, 1865, the bank received a national charter (which it holds to this day) and changed its name to The National Bank of Norwich. Although the distinction between national and state charters has diminished over the years—and financial panics continued under the national banking system—the bank’s national charter was an advantage in the 1860s, especially in terms of public confidence. That confidence was needed for banks to grow in the postwar years, when the nation transformed from an agricultural to industrial economy.

By the end of the decade, in 1868, the first train arrived in Chenango County, bringing with it the full force of the industrial age. From coast to coast, more and more towns like Norwich were connected by rail. By the end of the century, railroads “could carry any passenger and deliver any farm or manufactured goods anyplace in the USA cheaply and within a week’s time. No other country in the world had such a complete transportation network.”⁹ The Civil War preserved the nation and brought freedom to four million slaves. In its wake, the national banking system, the expansion of the railroads and the westward movement contributed greatly to a new national identity.



The restored flag that the 114th Regiment carried into battles, the names of which are stitched on the flag.



The bank’s national charter, dated June 28, 1865.

Crowds in Chenango County cheer the historic arrival of the first train in 1868. Two years later, a railroad line would run between Binghamton and Utica. Trains could move goods and people between these two cities in just three hours, rendering the Chenango Canal obsolete. The canal would officially close in 1878.

“A Pillar of Financial Stability”

LATE 1800S



This clock bank is among NBT Bank's oldest-surviving promotional items.

After the national trauma of the Civil War, the late 1800s were some very good years for NBT Bank and other Norwich-area businesses. Several important local industries sprang up during this period, including The Norwich Pharmacal Company (1885) and The Preferred Mutual Fire Insurance Company of Chenango County (1896). The bank—then known as The National Bank of Norwich—shared in the growth and success of these two companies. A detailed profile of the bank during this era can be found in the June 1, 1895, Industrial Edition of *The Chenango Telegraph*, a local newspaper. This article appears in its entirety below. The article contains one of the earliest-known photographs of the bank, which was approaching its 39th year in business. Also of note: the bank had recently installed a “mob-proof” safe and indoor plumbing.

THE NATIONAL BANK OF NORWICH

There is an agreeable fitness in the fact that the oldest bank in Chenango county is the strongest. This bank, which stands as a pillar of financial stability, was organized in 1856, under the state law, as “The Bank of Norwich.” Nine years later the state charter was surrendered, and under the “Act to provide a national currency,” it became a national bank, and has continued as such to the present time, its charter having been renewed in 1885 for a further period of twenty years from that time. The capital stock has always been \$125,000. During its existence the bank has accumulated from its earnings, a surplus fund of \$125,000 in addition to its capital stock; and further undivided profits, as appears by its last report, of nearly \$8,000. Thus the total resources of the bank are now more than a quarter of a million dollars. A convincing commentary on the present condition of the bank is found in its last report to the Comptroller of the Currency, which is as follows:

RESOURCES.

Loans and discounts.....	\$168,708 93
Overdrafts, secured and unsecured.....	3,480 46
U. S. Bonds to secure circulation.....	125,000 00
U. S. Bonds on hand.....	71,550 00
Premiums on U. S. Bonds.....	4,367 00
Stocks, securities, etc.....	124,400 00
Banking-house, furniture and fixtures.....	9,400 00
Other real estate and mortgages owned.....	19,031 66
Due from National Banks (not Reserved Agents).....	615 79
Due from approved Reserve Agents.....	882 33
Checks and other cash items	7,553 33
Notes of other National Banks.....	1,150 00
Fractional Paper Currency, nickles and cents.....	34 05
LAWFUL MONEY RESERVED IN BANK. VIZ:	
Specie.....	44,679 00
Legal-tender notes.....	1,150 00
	45,829 00
Redemption fund with U.S. Treasurer (5 per cent. of circulation).....	3,125 00
Total.....	\$583,673 00

LIABILITIES.

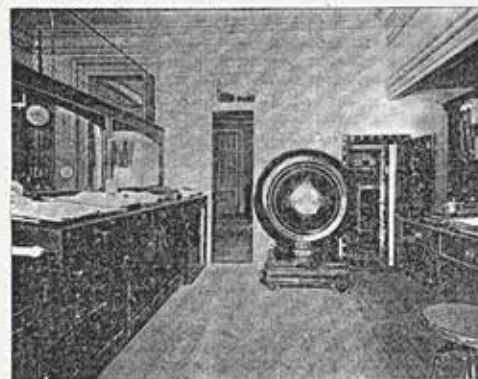
Capital stock paid in.....	\$125,000 00
Surplus fund.....	125,000 00
Undivided profits, less expenses and taxes paid.....	7,755 96
National Bank notes outstanding.....	125,500 00
Individual deposits subject to check.....	151,030 60
Demand certificates of deposit.....	62,387 43
Total.....	\$583,673 99

One of the secrets of the success of the institution is found in the character of its management, which has ever been active and vigorous, without being venturesome, and yet conservative without becoming timid or dull. This is evidenced by its continuous and steady advance, and the excellent character of its investments.

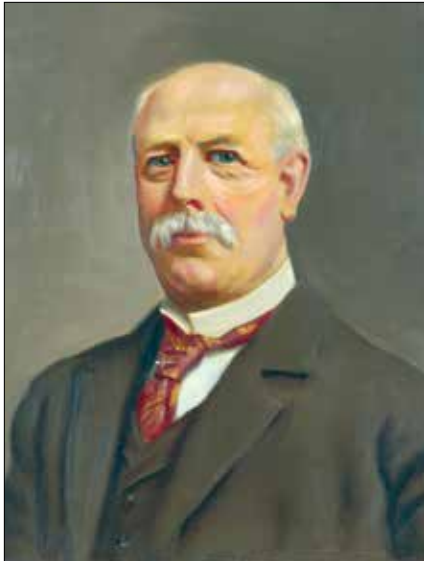
This bank is the “down town” bank. It is located in its own building, which it has occupied since shortly after its organization. During the past year important changes have been made in the banking-rooms. Valuable space needed for its increasing business has been gained for its counting and waiting rooms by the fitting up of storage rooms on the third floor and the removal to them of the books and documents accumulated during the nearly forty years of the bank's corporate existence. Conspicuous among the improvements is the new spherical Corliss safe. This magnificent “defender of faith,” has cost about \$3,000; it weighs seven tons, and rests on a massive stone foundation; its walls are nearly a foot in thickness of solid chilled gun metal; it stands in front of the vault, at one side of its entrance, in full view of the street by day and by night. Although the bank was well equipped with modern Herring's safes and safe deposit boxes in its vault, with time locks and all the paraphernalia of protection, the directors of the bank recognizing that nothing could be too safe for the important trusts confided to them in these days when dynamite and nitro-glycerine are making such

havoc with the forms of protection hitherto considered invulnerable, felt it their duty to procure this additional safeguard. They believe it is the only “up-to-date” construction. As it affords some additional capacity beyond the present requirements of the bank, it is the intention of the management to rent a portion of its space to such customers and others as wish, for a reasonable price, to avail themselves of what is believed to be the only absolutely burglar and mob-proof structure in existence. The other improvements include ventilation, lavatories and closets on every floor and a complete hot water heating apparatus for the entire building. The rooms have been handsomely decorated and furnished and a fitting home has been provided for this institution which has proved itself worthy of its surroundings. All that courtesy, care and thoughtfulness can do for the benefit of customers, inquirers and visitors at the bank is cheerfully done, it being considered a duty and pleasure to give such information and advice as come within the knowledge and province of the management. The bank deals in town and railway bonds and other high-grade securities. It buys and sells stocks and

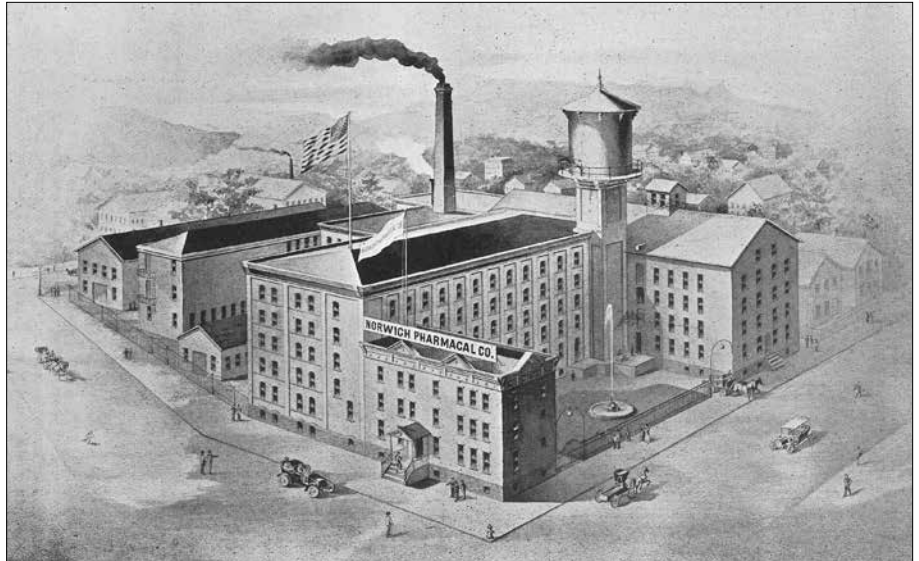
bonds on commission in New York and other cities through careful correspondents, and uses every endeavor to give thorough satisfaction to legitimate investors. It receives for safe keeping, at owner's risk, bonds of all kinds, keeping a record and giving receipts therefor, and from time to time cutting off and collecting coupons and crediting them to the owners. This has been found to be a great accommodation to many parties who would otherwise retain such negotiable securities in their houses at great peril from fire and theft. The bank solicits accounts, both large and small, desiring to make itself serviceable to all classes, and extends every accommodation to its customers consistent with the proper conduct of its business. The following officers are directors: The President, T. DeWitt Miller; Vice-President, Harvey Thompson; Cashier, Howard D. Newton; Teller, Charles H. Stanton. The other directors are: George Rider, William B. Andrews, Joel J. Bixby, Frederick Mitchell, Robert Harkness and J. B. Turner—men who enjoy in a remarkable degree the confidence and esteem of the community.



INTERIOR VIEW OF THE BANK



T. DeWitt Miller, one of NBT Bank's original four employees, was president of the bank from 1892 to 1910.



The Norwich Pharmacal Company plant in Norwich, as it looked in the early 1900s. The company would produce such well-known consumer health products as Unguentine, Pepto-Bismol and Chloraseptic.



This early bank ad, from 1895, touts the merits of the bank's new Corliss safe. This safe is also shown in the photograph on the opposite page.



This scene is typical of many of the foundries that sprang up in and around Chenango County in the late 1800s and early 1900s.



The first office of The Preferred Mutual Fire Insurance Company of Chenango County was located in New Berlin's Grand Opera House until 1899, when the building was destroyed by fire.

Renovations and Innovations

1900–1925

Between 1900 and 1925, NBT Bank transformed itself—literally and figuratively. There were three major renovations to the bank’s office in Norwich. There were expansions into two major lines of business. There was one name change. It was during this robust period, which also included increased advertising and marketing efforts, that the bank took on the shape and form that we know today.

LONG TRAINS RUNNING

By 1907, Norwich writers were exclaiming: “So rapidly has Norwich risen recently in industrial importance, and at the same time in self respect, that it may be we have come to think of ourselves more highly than we should.”¹ No longer overshadowed by the larger neighboring cities of Utica, Syracuse and Binghamton, Norwich leveraged its transportation and manufacturing might to supply the marketplace with almost anything. The railroads had become the “all important factor in the commercial life of Norwich.”² Railroading not only allowed new industries to thrive but also became an industry in and of itself. “Built at Norwich Shops” was stamped on many new boxcars, and these same shops also repaired numerous train parts. Norwich workers made it, then they moved it. Cut stone, wooden steps, finished lumber, concrete building blocks, doors, wiring, toilet seats, beer, hammers, pharmaceutical preparations, hay, grain, chicken feed, underwear, gloves, mittens, perfume, wholesale grocery items and condensed milk. In 1907, deposits at the two competing banks in Norwich were the “largest in the history of the place, totaling nearly a round million of dollars ... [and] more money has been expended in public and private improvements during the last five years than at any period of our history.”³

PUBLIC INTEREST

Contributing to the “private improvements” was NBT Bank, then known as The National Bank of Norwich. In 1907, the bank constructed a new building on the site of its old building—which it had occupied since its founding in 1856—and on the adjoining lot to the south. (During this months-long renovation, the bank conducted business from a nearby furniture store.) *The Norwich Sun*, a local newspaper, reported that the new building “looks the part of a prosperous and substantial financial institution and is an ornament to the business section of our wide-awake village.”⁴ Each employee had an electric desk lamp and a personal locker. Along with the opening of the new bank building was the addition of the Interest Department, where a bank ad stated that savings would be “cared for with absolute security, with a reasonable profit to the depositor.”

The bank also produced one of its earliest-known sales brochures to promote its new facilities and capabilities. The 1907 brochure encouraged “each earner, whether workman or farmer, [to] give one-fifth of his earnings to his wife for deposit in our Interest Department.” To apparently accommodate all these earnings handed over to wives, the bank’s new office also featured a “room designed especially for the use of the ladies, where they will be welcome for the transaction of any business they may have at hand.”

The new quarters even offered a “reading room,” which contained “not only the most desirable financial journals and leading New York dailies, but also agricultural



This 1908 postcard shows the newly renovated NBT Bank and is one of the earliest-known photographs of the bank’s exterior. A handwritten message on the back of a similar postcard from this era begins with a statement that is a familiar one to generations of customers: “[I] Keep all my money here.”



The bank builds its brand with this 1907 ad, which appeared in *The Norwich Sun*, a local newspaper. The bank began to regularly advertise during this period.

and trade journals.” And brochure readers were reminded to open a checking account, the “modern method of transacting business.” The brochure noted that “nine-tenths of all payments are now made by check. Your money is safe from burglars, or loss by fire, or any of the accidents incident to hidden money.”

THE CLUBS

In 1912, The National Bank of Norwich began offering one of its premier consumer products—the Christmas Club. This popular savings account exists to this day as the Holiday Club. The bank billed itself as “The bank that brought the Christmas Club to Norwich,” and it took out annual full-page local newspaper ads—among the first in its history—to tout this product. (Sample ad copy: “Plan to make 1922 your best year. Let’s go.”) In turn, local newspapers ran yearly articles about how much the bank paid out in Christmas Club checks.

The Christmas Club concept was started in 1910 by the Christmas Club Corporation in Easton, Pa. This club, along with the rise of retail stores and mail-order catalogs, marked the beginning of Christmas as a commercial event. By the 1920s, the retail industry had “adopted Christmas as its own, sponsoring annual ceremonies to kick off the ‘Christmas shopping season.’”⁵

In 1916, The National Bank of Norwich would renovate its office once again. Just two years later, the U.S. became embroiled in World War I. During this “war to end all wars,” the bank sold \$1 million worth of war bonds through its Liberty War Loan Club. The money received from the sale of these bonds helped fund the nation’s war efforts. In 1918, the year the war ended, the bank was one of the first national banks in New York State to apply for and receive trust powers under a Federal Reserve act. (The Federal Reserve, the nation’s central banking system, was established in 1913, as was the federal income tax.)

As part of these powers, the bank’s new Trust Department served as trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee and receiver and in all other financial capacities.

The bank promoted its new Interest Department in this 1907 ad. It had been 30 years since the bank last paid interest on deposits. But why was this department open from 7 p.m. to 8 p.m. on Saturdays? According to a 1906 item in the *Los Angeles Express*: “It has been the vogue for all the savings banks to reopen Saturday evenings after being closed during the afternoon. This is done for the convenience of those depositors who get their pay Saturday afternoons.”

New Interest Department

On Monday Dec. 2nd the National Bank of Norwich will open an Interest Department.

The bank believes that it can thereby better and more satisfactorily serve the public. Depositors will receive **Special Interest Pass Books**. Complete information and rules are printed therein. The plan is simple. Rule No. 7 fixes four **Quarter days** in the year — the first days of January, April, July and October, and, under this rule, deposits begin to draw interest on these days. During the next **thirty days**, the bank will, however, operate the interest department under a **special rule**, whereby deposits received on any day during the next thirty days will be subject to interest from **date of deposit**, and until further notice any deposit made prior to December 31, 1908, will bear interest at the rate of **four per cent** for the year following the date of deposit, providing the deposit is left for a full year and if deposited during the current month is left until January 1, 1909.

The bank believes that by paying interest on small deposits the savings of this locality can be cared for with absolute security, with a reasonable profit to the depositor, and that there is afforded an easy and convenient method of investing savings at home, where they are safe and where they can be withdrawn any day desired.

In addition, for the accommodation of the entire business community, **the bank will remain open during the noon hour**, and for the special accommodation of the wage earner of the town, the

Interest Department will be open every Saturday Evening from Seven to Eight O'clock.

The public are invited to call and inspect the new bank building, and at the same time, learn from the officers of the bank the details of our new interest department.

The National Bank of Norwich

While searching through a collection of documents, relics, etc., which have been accumulating for years on the third floor of the bank building an old gold dust bag was found. The history of the bag is not definitely known but it is believed to have belonged to some Chenango county man who had been gold mining in the west and brought the result of his labor back to Norwich, depositing his gold at the bank and leaving the bag there.

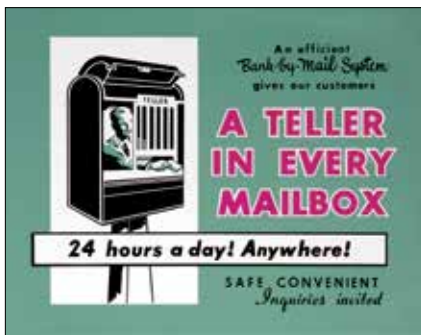
While working on the excavations in the cellar, one of the workmen employed by the contractors was so fortunate as to find a good ten dollar note recently. It is rumored that there was a celebration that evening.

This part of a 1907 newspaper article details some treasures found during renovations of the bank's original headquarters. The \$10 note that was discovered would buy a "celebration" worth about \$200 today.

BANKING BY MAIL.

The Bank is also prepared to conduct a banking business by mail, so that those from a distance wishing to deposit can do so by using the daily mails without the delay or inconvenience of a journey to Norwich.

The bank's banking-by-mail service, outlined in an excerpt from a 1907 sales brochure (above), is an example of the bank's early home-banking efforts. This service was still going strong years later, as shown in the sign below (from later in the century).



Of this latest service, *The Norwich Sun* wrote: "This will be a great accommodation to business men and all citizens of the county and [it] places the bank ... in the same class with larger institutions of Binghamton, Syracuse, Utica, and other large cities."⁶

BUILDING TRUST

The quick success of the Trust Department led to the bank being remodeled again in 1919. According to *The Norwich Sun*: "It is a matter of pride to Norwich people that the increased business of [the bank] makes such extensive repairs and additions necessary."⁷ This renovation connected the first and second floors with a "pneumatic tube system so that all papers, etc., may be transferred without the use of the stairs. ... All departments and desks are on an interconnecting telephone system of the dictaphone type."⁸ The third floor was equipped with an employee cafeteria.

In 1923, the bank undertook one of its first major publicity campaigns. This campaign, focusing on trust services, was carried out through a direct-mail piece and ongoing newspaper advertising. The direct-mail piece was an "attractive folder" that was not "meant to be read and tossed aside. It is bound in neat board covers, an ornament to any book shelf or library table. And its contents will bear several readings. It discusses some of the most important considerations in any man's life: his property, how he can best handle it and how he can arrange most wisely for its final disposition."⁹

The campaign must have worked. In 1925, The National Bank of Norwich changed its name to The National Bank and Trust Company of Norwich. The new name was intended to better reflect the bank's expanded functions and services.



In the early 1900s, there was increasing use of such life-changing innovations as electrical service, telephones and automobiles. But one innovation from this period is often forgotten: Rural Free Delivery of U.S. mail, which formally began nationwide in 1902 for residents of communities like Chenango County. (Residents of cities had been receiving free mail delivery since 1863.) According to the U.S. Department of Transportation, the benefits of free rural mail delivery were many: an increase in the value of farm land, improved road conditions, better prices for farm products and greater ease in subscribing to and receiving newspapers and magazines. An early rural mail carrier is shown above.



WWI soldiers march down Norwich's South Broad Street. During America's involvement in this war (1917–1918), the bank reported that the “women of Chenango County donned overalls to work in factories and on farms.” Women locally and nationally would repeat this effort on a larger scale during World War II.

Investment Suggestions

For the investment of October Funds, we offer subject to prior sale and change in price the following:

LOCAL BONDS			
	Rate	Price	Yield
Abbott & Kohn Ribbon Co., 1st mtg.	6%	100	6.00
Chenango Theatre Corp., Gen. mtg.	6%	102½	5.70
RAILROAD BONDS & EQUIPMENT NOTES			
American Refrigerator Equipment	6%	104½	5.50
Chicago Union Station, Guaranteed	5%	100½	5.00
Phila. Rapid Transit Equip. Trust	6%	102	5.75
Manilla Railroad Co., Sinking Fund	7%	112½	5.75
(Gtd. by Govt. of Philip. Islands)			
PUBLIC UTILITY BONDS			
Indiana General Service Co., 1st Mtg.	5%	91	5.75
Brooklyn Union Gas, 1st	6%	106	5.50
Commonwealth Water & Light	5%	95	5.40
Kansas City Power & Light, 1st Mtg.	5%	93½	5.50
Portland Ry., L. & P., 1st Lien & Rtdg.	6%	98½	6.25
Penn. Power & Light Co., 1st & Rtdg.	5%	92½	5.50
INDUSTRIAL BONDS			
Humble Oil & Refining Co.	5½%	100	5.50
Otis Steel Co., 1st Mtg.	7½%	96	7.95
Union Oil of California	6%	102	5.90
General Refractories Co., 1st Mtg.	6%	99	6.10
Newport Co., 1st Mtg.	7%	99	7.15
Morris & Co., 1st Mtg.	4½%	90	5.50
Colorado Industrial Co., 1st Mtg.	5%	80	7.00
Sinclair Pipe Line Co., Sinking Fund	5%	95	5.40
Swift & Co., Sinking Fund	5%	97	5.40
Eastern Cuba Sugar Corporation	7½%	100	7.50
FOREIGN & CANADIAN BONDS			
Phillipine Government, Tax Free	4½%	100	4.50
Federal Land Bank (Tax Free)	4½%	101½	4.30
Dominion of Canada	5%	100	5.00
Government of Newfoundland	5½%	102	5.40
Province of Alberta	5½%	101½	5.25
Province of Alberta	5%	99½	5.05
Province of Manitoba	5½%	104	5.25
Province of Manitoba	5%	100	5.00
Province of Ontario	5%	100	5.00
Province of Saskatchewan	5%	99½	5.05
Edmonton, Dunvegan & Brit. Col. Ry. Co.	4½%	90	5.30
(Guaranteed by Province of Alberta)			

We recommend the securities listed above and shall be glad to furnish details upon request.

Investment Department
The National Bank of Norwich
 Norwich, New York.

NBT Bank's new Investment Department offered a number of exotic-sounding securities for your investing dollar in the early 1900s, such as the Manila Railroad Company Sinking Fund and the Eastern Cuba Sugar Corporation.

Our Service Summary

Please keep in mind all the forms of service which this bank renders.

COMMERCIAL: Checking Accounts, business and personal. Also household checking accounts.

INTEREST ACCOUNTS: One's duty to his future is to create a reserve against the day of opportunity or emergency. Interest paid on Interest Accounts.

LOANS: Commercial Credit facilities extended upon customary terms and conditions. Discussions invited.

EXCHANGE: For the transfer of funds to "anywhere and everywhere." Foreign moneys bought and sold. Drafts issued on principal domestic and foreign points.

TRAVELER'S CHECKS: Letters of Credit issued, available for travelers all over the world.

DISCOUNTS AND COLLECTIONS: Notes and drafts discounted and collected.

SAFE DEPOSIT: Private and secure individual boxes in various sizes. Private coupon rooms in connection.

TRUST DEPARTMENT: Executor and Trustee under Will; Administrator by Appointment of Court; Guardian for Minors; Trustee under Living Trust Agreement; Receiver, Transfer and Escrow Agent; Custodian of Securities.

INVESTMENT DEPARTMENT: We have on sale at all times high grade investment securities. We are also prepared to purchase or sell securities in any market.

The National Bank of Norwich
 "The Lower Bank"
 NORWICH - NEW YORK
 ESTABLISHED 1856

COPYRIGHT 1923, HANCOY BROTHERS

This section from a 1923 pamphlet lists the bank's increasing range of products and services. The bank was referred to as "The Lower Bank" to distinguish it from "The Upper Bank," a competing bank up the street.

The 1923 Christmas Club

—OF—

The National Bank of Norwich

For Everyone who Would Accumulate Money for a Definite Object

Get Your Folks to Join, Become a Member Yourself, bring in your Friends.

Ask any member of the 1923 Club if he is glad he joined. You'll hear some real boasting. No one regrets conserving money. And the Christmas Club way makes thrift easy. It's a get ahead system for go-getters. Are you with us? GOOD.

1923 Club Facts in a Nutshell

- (1) Open to everyone.
- (2) No fines or membership fees.
- (3) Deposits made weekly, or in advance.
- (4) Your deposits are marked paid on your special bank book.
- (5) Deposits may be made at Christmas Club Window or by mail.
- (6) Membership book should accompany each deposit.
- (7) If you fail to keep up your deposits for the 50 weeks, your December check is for the full amount you have deposited.
- (8) If you lose your book you do not lose your money. The bank has a record of your deposits. However, you must notify the bank at once.
- (9) Early in December you receive a check for your total deposits plus interest.

Choose Your Class—Join Immediately

Insure another happy Christmas in 1923, push yourself forward toward financial success

25 Cent Class	\$1.00 Class	\$5.00 Class
Deposit 25¢ a week	Deposit \$1.00 a week	Deposit \$5.00 a week
Receive \$12.50—PLUS INTEREST	Receive \$50.00—PLUS INTEREST	Receive \$250.00—PLUS INTEREST
50 Cent Class	\$2.00 Class	\$10.00 Class
Deposit 50¢ a week	Deposit \$2.00 a week	Deposit \$10.00 a week
Receive \$25.00—PLUS INTEREST	Receive \$100.00—PLUS INTEREST	Receive \$500.00—PLUS INTEREST

Don't be content merely with joining a Club yourself. Urge your friends to join. They'll appreciate it and we will too. The Prosperity Special for 1923 leaves immediately. All aboard.

Christmas Club accounts were among the banking industry's first and most popular savings products mass-marketed to a consumer audience. As this ad asks, "Are you with us?"

Growing During Tough Times

1929–1946

“BROTHER, CAN YOU SPARE A DIME?”

In late 1929, the U.S. economy went into a tailspin that would last until late 1941. The Great Depression was the “worst and longest economic collapse in the history of the modern industrial world.”¹ When the economy bottomed out in 1933, nearly 25% of the American workforce was unemployed. The causes of the Depression were many, but a major contributor was the introduction—in the 1920s—of buying on credit. U.S. industry had grown to the point that it was able to produce much more than was being purchased by average Americans. Advertising techniques that had been developed to build support for World War I were subsequently used to “persuade people to buy such relatively new products as automobiles and such completely new ones as radios and household appliances. The resulting mass consumption kept the economy going through most of the 1920s.”²

In 1929, the link between consumerism and boom times became so strong that a General Motors executive stated: “The key to economic prosperity is the organized creation of dissatisfaction.”³ But the bill for “buy now, pay later” was coming due. By the time the speculation-driven stock market crashed on October 29—erasing more than \$10 billion in wealth in a single day—many Americans could not pay

that bill. When people went to their banks to withdraw savings to pay their debts, the banks often did not have the money. Many banks had lost money through defaulted loans or by investing in the stock market; some banks had even allowed customers to use stocks as collateral for loans. This chain of events caused other people to “panic and demand their cash, ruining the banks. By the winter of 1932 to 1933, the banking system reached the point of nearly complete collapse; more than 5,000 banks failed by March 1933, wiping out the savings of millions of people.”⁴ Many Americans had their goods repossessed and the mortgages on their homes or farms foreclosed.

On March 6, 1933, two days after his inauguration, President Franklin D. Roosevelt declared a mandatory four-day “bank holiday” to stop the run on banks. Three days later, Congress passed the Emergency Banking Act, which required immediate federal inspections of banks. Only financially



This headline is from October 24, 1929—“Black Thursday”—the beginning of the stock market crash that ushered in the Great Depression.

This photo shows an early 1930s breadline in New York City. Private money often funded these distributions of free food.



sound banks would be allowed to reopen. That June, the Glass-Steagall Act implemented far-reaching banking regulations, including separating commercial and investment banking and creating the Federal Deposit Insurance Corporation (FDIC) to insure bank deposits.

POCKET OF PROSPERITY

A third of all banks in the U.S. eventually went under during the Depression. One that escaped this financial meltdown was NBT Bank, then known as The National Bank and Trust Company of Norwich. In 1929, the bank increased its capital from \$300,000 to \$400,000. According to a bank publication commemorating the bank's 90th anniversary in 1946: "Despite the so-called Depression 30's, The Bank prospered and expanded its services and facilities."⁵ By most accounts, the Norwich area was not as affected by the Depression as most places. Still, times were tough.

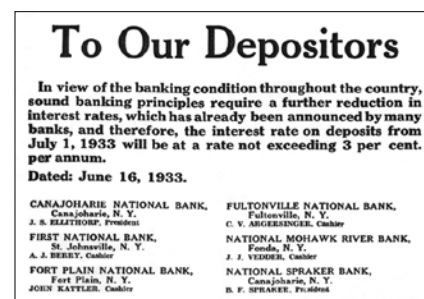
The bank's leader during this era was J. Bennett Turner, who was president of the bank from 1917 to 1938 and chairman of the board from 1938 to 1945. Turner was involved in many of Norwich's prominent businesses and civic projects. In 1887, he and a partner established a dry goods store in Norwich. As village president, he oversaw Norwich's first paved streets. He was vice president of the Norwich Water Works. He helped organize the Norwich Theatre Company and the Norwich Chamber of Commerce. He was president of the Norwich Wire Works and the Bennett-Ireland Company, both involved in metalworking. He was one of the founders and served as president of the Norwich Knitting Company (which began producing an exclusive line of Disney-licensed Mickey Mouse underwear for children in 1931). He was closely associated with The Norwich Pharmacal Company, serving as director and chairman (during the 1920s, the company's flagship product, Pepto-Bismol, was sold at drugstore soda fountains). These endeavors succeeded at a local level, but certain of them also succeeded at a national and even international level. Once the business and regulatory environment was right, Turner would use his skills to grow the bank.

SOLO FOR SO LONG

Until 1937, the bank was a "unit" or single-office bank. Why expand after 81 years? Part of the answer has to do with economic growth and improvements in transportation, communications and technology. As of 1931, for instance, Federal Reserve records show that no bank in upstate New York had expanded outside the city of its home office. Another part of the answer involves regulatory changes. With its national charter, the bank was prohibited from opening branches under the National Bank Act of 1864 (some national banks got around this through acquisitions or other means). State-chartered banks could open branches if allowed by state law. In 1919, New York State permitted branching within cities having a population of less than 50,000. It was not until 1927, when Congress passed the McFadden Act, that national banks could open branches in their home-office cities if allowed by state law. When the McFadden Act was amended in 1933, national banks were permitted to open branches in their home-office states if allowed by state law. Since New York already allowed branching, the bank was free to expand within the state.



In 1933, President Franklin D. Roosevelt signed legislation creating FDIC deposit insurance. This landmark program helped end widespread banking panics.



A 1933 notice, from one of NBT Bank's acquired banks, informs customers about a cap on interest rates for deposits. During the Depression, many attempts were made to adjust interest rates to spur economic growth.



This 1939 photo shows a failed Haverhill, Iowa, bank whose remaining windows have been covered with circus advertisements.



J. Bennett Turner was NBT Bank president from 1917 to 1938 and chairman from 1938 to 1945. He put the bank on the path to growth by overseeing its first expansions.

In 1937, The Sherburne National Bank and The First National Bank of Earlville were NBT Bank's initial acquisitions. Shown below is a street scene of Sherburne from this era.



Enter J. Bennett Turner. In 1937, he made the bank's first acquisitions and set the company on a course that it remains on to this day. His grandson, Kent Turner, offered this account in 2005: "Walter Sanford, president of The Sherburne National Bank, and my grandfather were great longtime friends. It may have been at their Sunday dinners at the Sherburne Inn that they concluded the two banks could do better by combining. They did merge, and NBT Bank started on the road to many more acquisitions and prosperous growth." Sherburne was famous as the birthplace, in 1927, of Gaines Dog Food (later known as Gainesburgers). Clarence F. Gaines, founder of the dog food company, later served on NBT Bank's board. Along with Sherburne, the bank also acquired The First National Bank of Earlville. These mergers were "based on the premise that greater financial service could thus be afforded to the people of Chenango County."⁶ After the mergers, the bank's capital increased to \$500,000, four times what it started with in 1856. The bank also acquired these banks during or shortly after Turner's tenure: The First National Bank of Bainbridge (1938), The Otselic Valley National Bank (1945) and The National Bank of New Berlin (1946). As of September 2016, NBT had made a total of 37 acquisitions of banks, bank holding companies or financial services companies.

THE WAR YEARS—AND BEYOND

The Great Depression was followed by a cataclysm of another kind in 1941: World War II, the deadliest and most destructive war in history. It was the federal government's massive spending on the war effort that brought the Depression to an end. As it did during World War I, the bank sold defense bonds, raising more than \$17 million to help the U.S. and its allies emerge victorious.

After the war's end in 1945, the GI Bill offered the following to returning veterans: one year of unemployment benefits while looking for work; paid tuition, fees and books for college or vocational education (along with a monthly living stipend); and low-interest loans. Under this program, the bank provided GI loans to help veterans buy homes, businesses and farms. At that time, about 80 percent of Chenango County's land was used for farming. In 1938, the bank had established one of the first agricultural lending departments in the nation. This department would become one of the largest agricultural lenders in the state. In 1946, the bank established a consumer loan department. A mortgage department would follow a few years later, amid the postwar economic and baby booms and growing suburbs.

As 1946 came to a close, the bank had six offices, 256 stockholders, \$700,000 in capital and \$20 million in total assets. It was ranked 844th in size among the nearly 15,000 banks in the nation. The bank's 69 employees were provided with "a liberal retirement plan thru The New York State Bankers' Retirement System" as well as "hospitalization and surgical and medical benefits."⁷ The bank's facilities kept "abreast of the rapidly developing commercial, industrial and agricultural life of the community" and were "modern and up-to-date."⁸



During World War II, banks such as The National Bank of New Berlin sold defense bonds to raise money for the U.S. war effort. NBT Bank acquired the New Berlin bank shortly after the war.



Agriculture became big business for NBT Bank. Here are some ways the bank showed its support over the years.



Baby boomers play in a new suburban development in Norwich in the mid-1950s.

Merge Surge
 "As long ago as 1935, I became convinced that the mergers of banks would be accelerated due to a growing economy and what appeared to be a lack of managerial succession. Our bank, therefore, took steps to interest other neighboring banks in our area to merge for the purpose of forming a larger and stronger regional country bank. I believe our bank pioneered in this sort of activity among country banks. With the continued growth and expansion of industry, I am convinced that banking will continue to need larger and stronger units to adequately serve the growing needs of their customers."

In a 1961 statement to the Federal Reserve Board, NBT Bank President Otis Thompson provided this insight into the bank's early growth strategy. In the mid-1930s, he was the bank's cashier, before becoming president in 1938. Between 1929 and 1960, mergers reduced the number of banks in the U.S. from nearly 29,000 to about 14,000.

Looking Back and Looking Ahead

1950S AND 1960S

The 1950s and 1960s were times of sweeping social and industrial changes. The United States had emerged from World War II as the richest nation in the world. Government spending, technological advances and pent-up consumer demand led to widespread prosperity.

1950S

At NBT Bank, then called The National Bank and Trust Company of Norwich, the 1950s brought a milestone anniversary. In 1956, the bank celebrated 100 years in business. In May of that year, the bank moved its headquarters a block south from 18 South Broad Street to 52 South Broad Street, where it remains to this day. According to the bank's centennial book, the "new banking home typifies the progressive spirit of an institution that is 100 years young ... [and] combines ultra modern efficiency and convenience in 27,900 square feet, on three floors."¹ New features included air-conditioning, wall-to-wall carpeting, 12 teller windows, three massive vaults, 1,400 safe-deposit boxes, six private booths and conference rooms, a complete kitchen, a recreation lounge, a 40-car customer parking lot and two drive-up teller windows. In addition to these new quarters, the bank had five other offices in 1956. It also had 103 employees who served more than 26,000 commercial and savings accounts. In 1958, the bank introduced night-deposit services—the first of its modern-day 24-7 offerings.

Norwich and Chenango County were home to 35 industries during this era, including: Victory Chains Inc. (grocery stores); General Laboratory Associates (aircraft parts); The Norwich Pharmacal Company (aspirin and other health care products); the Page Seed Company; the Raymond Corporation (forklifts); and Borden's Chemical Division. On the agricultural side, Chenango County had 2,100 farms and ranked 17th in the nation in the value of milk sales. The 1950s were quiet for the bank in terms of acquisitions. It made only one, Delaware County's The First National Bank of Grand Gorge, in 1957. This was the bank's first acquisition outside of Chenango County, and it brought the bank's number of offices to seven.

1960S

The bank's president from 1938 to 1968 was Otis Thompson. He began his banking career in 1901 at a competing bank in Norwich. He joined NBT Bank in 1913. With 55 years, he was one of the bank's longest-serving employees. With 30 years, he was the bank's longest-serving president. Like many of his predecessors, his activities were not limited to the bank. Over his lifetime, he served as chairman, officer, director or delegate for more than 40 professional, business, civic, religious or political organizations. He was known as the "dean of bankers" in the Norwich area and a "giant among men."² According to a bank tribute, his "watchword was 'progress' in all things good." It was this focus on progress that led Thompson, then in his eighties, to make the next big move in the evolution of the bank: entering the computer age and building a Data Processing Center (DPC) behind headquarters.

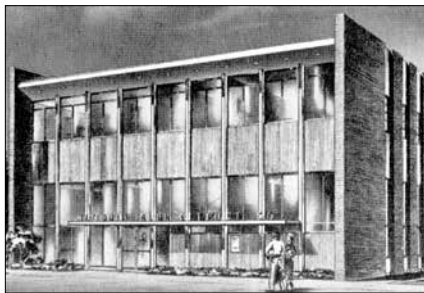
When the two-story DPC opened in 1965, Thompson wrote: "The new Computer Center, in addition to permitting us to render greater and more efficient service, will also enable us to accommodate the increased demand for newer services



During this period, Americans could afford to write a lot of checks. Between 1945 and 1960, the median family income nearly doubled.



Interior and exterior views of NBT Bank's new headquarters in 1956.



engendered by the growth of the Norwich community.”³ The centerpiece of the DPC, which is now the bank’s Hayes Street Building, was an IBM 1440 mainframe system. *The Evening Sun* of Norwich reported that the 1440 was “the ‘brains of the operation’ and, standing in the middle of its room, ‘gives orders’ to the other equipment. . . . This versatile electronic marvel will live in an exclusive environment of its own, fully air-conditioned and with humidity control to protect its functionings against the possibility of even the slightest variations.”⁴

The bank’s new system could add 4,000 five-digit numbers in one second and turn out printed reports as fast as 400 lines per minute. The 1440 was used for processing savings accounts, checking accounts, Christmas Clubs, conventional and installment loans, mortgage payments and payroll. It was during this time that the Magnetic Ink Character Recognition (MICR) number made its first appearance: “Many have already seen the new checks with the row of strange-looking black numbers across the bottom. These numbers are printed in magnetic ink, and also appear on deposit tickets which come with each of the new checkbooks. The new electronic system can read, understand, and record these numbers in less time than it takes to wink an eye.”⁵ The system’s magnetic character reader could automatically read and sort checks at speeds up to 950 per minute. The 1440 included a special typewriter that allowed employees to communicate with the system. The DPC handled not only the bank’s work but also that of other companies in the area, marking the bank’s first major effort to generate revenue through nontraditional banking activities.

With the opening of the DPC, Norwich proclaimed itself the “Biggest Little Computer City in the Nation.” The city’s businesses reportedly had the most IBM computer equipment per capita. The bank closed out the 1960s with ten offices, having acquired First National Bank of Afton in 1962 and Peoples National Bank of Margaretville in 1963 and having opened a branch in Norwich’s North Plaza in 1969.



The bank’s Data Processing Center (shown above and at right) housed the latest computer systems when it opened in 1965.



Otis Thompson was the bank’s president from 1938 to 1968. He served in this role longer than anyone before or since.



In 1966, Otis Thompson sent this welcome letter to new customer “Master Jim.” Young Jim promptly added his handwritten reply and returned the letter.



The “Primary Vehicle” for Future Expansion

1970S AND 1980S

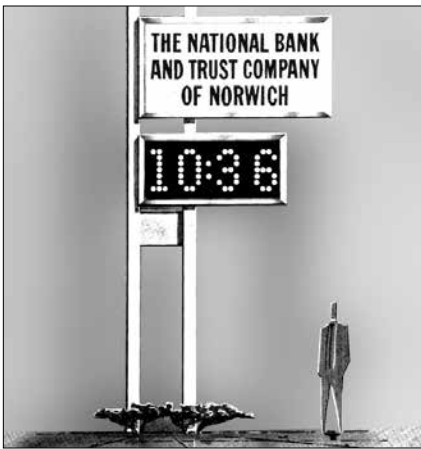
In the 1970s and 1980s, the United States faced greater challenges due to an increasingly global economy. Upstate New York, in particular, began to lose many of the manufacturing industries and jobs that had long sustained it. But in the banking industry, stronger banks benefited from deregulations that removed many of the historic restrictions on wider expansion. In the late 1970s and early 1980s, rampant inflation pushed the prime lending rate to more than 20 percent.

1970S

In its 1970 annual report, NBT Bank—then named The National Bank and Trust Company of Norwich—stated that it was a time in which “much remains to be done in such areas as pollution control, assistance for minority groups, education and housing.” It was also a time for time itself, as the bank ordered its first time-and-temperature sign, which was installed in early 1971 in front of the headquarters building in Norwich. The year 1970 also marked the first full year of the bank’s Master Charge credit card program. The bank’s 9,000 Master Charge customers charged just over \$1 million in goods and services in 1970, and 226 merchants were affiliated with Master Charge through the bank. Another first in 1970 was Silver Statement Savings, a no-passbook program for savers. In 1969, the bank had established the North Plaza Office in Norwich as its first “de novo” branch (that is, a new branch not resulting from a merger or acquisition). In 1970, it established its second de novo branch at the South Plaza in Norwich. These two opened for business as “trailer branches” in fully customized mobile homes. In 1972, the bank introduced Chek-Gard, now referred to as Personal Overdraft Line of Credit, an overdraft protection product that remains a staple to this day.

One of the driving forces in banking in the 1970s was technology. In 1977, the bank put on a two-story, 6,500-square-foot addition to the Data Processing Center it built in 1965 on Hayes Street in Norwich. According to the bank’s 1977 annual report: “Today, our newest equipment processes over 63,000 accounts for our own and nine other banks—and this is less than one-sixth of the total daily volume! The [Data Processing] Department’s one initial shift is now a 24-hour a day, 5 day a week operation providing timely accounting for ourselves and our customers. Data Processing revenues have increased from nothing in 1965 to \$273,654 in 1977.”

In terms of lending, standardized credit-scoring models and large credit databases began to “diminish the value of knowledge that local bankers had about the risks of borrowers in the community.”¹ This was not the only trend putting pressure on local banks. In 1976, New York State deregulated intrastate branching, removing many of its restrictions on bank expansions (such as population-based rules). Not long after, in 1982, New York State deregulated interstate banking. Such deregulations brought forth the regional and super-regional banks, as “better banks expanded into new markets.”² Even before these deregulations, the bank was well on its way to becoming a regional bank. In the 1970s, it acquired six offices of these banks: The Farmers National Bank of Deposit (1971), The First National Bank of Newark Valley (1973), The National Bank of Hobart (1974) and First National Bank in Sidney (1978). The bank ended the decade with 17 offices in four counties.



An artist’s conception of NBT Bank’s first time-and-temperature sign, installed in 1971 in front of the bank’s Norwich headquarters. This type of sign, which became synonymous with banking, first appeared in 1950, on a bank building in Spokane, Washington.



The bank’s Master Charge credit card program took off in the early 1970s. This card was introduced in 1969 by the Interbank Card Association. In 1979, Master Charge changed to its current name, MasterCard.



This architectural model shows completed additions that were made to the south side of the bank’s headquarters in 1984 and to the north side in 1985.

1980s

NBT Bank's leader for much of the 1970s and 1980s was Everett Gilmour, who worked for the bank for more than 50 years. Gilmour became president and chief executive officer in 1968. He became chairman in 1972 and retained that title until his first retirement in 1989 (he would serve as chairman again from 1995 until 2001). He was also a member of numerous community organizations and served on many corporate boards. Under his leadership, the bank experienced dramatic growth and established the holding company that would allow it to become the diversified financial services provider it is today.

In the mid-1980s, the bank made major renovations to its headquarters building in Norwich. In 1984, on the south side of the building, a five-lane drive-up plaza was installed, as was the bank's first automated teller machine. In 1985, the bank completed a two-story, 28,000-square-foot addition to the north side of the building. During this construction, a nearly two-story mound of dirt accumulated outside headquarters. This mound became known locally as "Mount Everett," in honor of Everett Gilmour. Also in 1985, the bank's board of directors approved a resolution authorizing the formation of NBT Bancorp Inc., a bank holding company that officially came into being on May 30, 1986. The bank's 1986 annual report stated: "The holding company will provide management and stockholders with latitude to expand banking and personal services, and to offer broader new financial products and services to present and future NBT customers. NBT Bancorp Inc. will be the primary vehicle through which much of NBT's future expansion will occur." In contrast to a traditional bank, a bank holding company—as defined by federal legislation in 1956—can more easily raise capital and acquire other banks. NBT Bancorp became the holding company of The National Bank and Trust Company of Norwich. The letters NBT in NBT Bancorp, by the way, are not an abbreviation and do not formally stand for anything. Since the bank often referred to itself as NBT, it was a natural progression to use these letters in the holding company's name.

Much of the 1980s were quiet in terms of expansion. The bank acquired The National Bank of Oxford in 1984, and it established a new office in Greene in 1986. But in 1989, the bank made its longest-distance acquisitions up to that time by purchasing four banks and their 15 offices on the same day: The First National Bank of Hancock, Hayes National Bank, The Fulton County National Bank and Trust Company and The Bank of Lake Placid. These purchases doubled the geographic size of the bank's markets overnight. To better reflect this expanded presence, the bank changed its name in 1989 for the third time in its history and for the first time in 64 years, becoming The National Bank and Trust Company (without the "of Norwich"). In 1989, the bank also established its first regional offices—in Clinton, Gloversville, Lake Placid and Norwich.

As the 1980s came to a close, the bank had grown to 34 offices in eight counties. In two very productive decades, the bank had more than tripled its number of offices and quadrupled its number of counties served. Its total assets grew more than tenfold, from \$78 million at the end of 1969 to \$839 million at the end of 1989.



Everett Gilmour was president and chief executive officer of the bank from 1968 to 1986. He served as chairman from 1972 until 1989; he would reprise this role in the 1990s.



A sketch of the bank's first ATM, which debuted in 1984 at the Norwich Office. This was a true leap for 24-7 banking. Customers could make deposits, transfers, withdrawals and payments any time of day. The bank now has a network of almost 200 ATMs, including units with enhanced deposit features that allow customers to deposit cash and checks without a deposit slip or envelope.



NBT Bancorp was formed in 1986 as a bank holding company incorporated in Delaware. In 2000, it would change to a financial holding company. The latter, which was created by 1999 federal legislation, can engage in nonbanking activities that are financial in nature.

A New Name for a New Era

1990S AND 2000S



In 1992, NBT Bancorp began trading on the Nasdaq National Market under the symbol NBTB. The company's current market value is about \$1.39 billion.



This logo from 1995 reflects the bank's new name and image, signaling the bank's new spirit.

The advertisement features a black and white photograph of Daryl Forsythe, a man in a suit and tie, sitting at a desk with a laptop. To the left of the photo, the text reads: "Daryl Forsythe wasn't a banker—that's why he's our new CEO." Below the photo, there is a block of text: "To run our bank, we looked for someone who could bring the community and banking together. We chose Daryl Forsythe. He's lived in this community for three decades and also spent that time as a senior manager in the aerospace industry. He knows business, the community and yes, even banking—having served seven years on the NBT Bank Board of Directors. With this experience, he is the best person to keep us focused on service to our customers. It's all part of NBT's new look, new spirit and renewed commitment to our communities." Below this text is a call to action: "Tell us how we're doing. Call us on the NBT Bank Customer Comment Line: 1-800-336-2330." At the bottom left is the FDIC logo with the text "Member FDIC". At the bottom right is the NBT BANK logo with the tagline "Now Banking Together." and a list of branches: "Abundant Valley Region", "Cheney", "New Hartford", "Rome", and "Utica".

This 1995 ad announces NBT Bank's new leader, Daryl Forsythe, who previously worked in the aerospace industry.

The period from 1990 to mid-2006 has had its share of highs and lows. The Internet revolution and the longest economic expansion in U.S. history were followed by the dot-com bust, major corporate scandals and the deadliest terrorist attacks on American soil. As for the financial services industry, the government would in 1999—through the Gramm-Leach-Bliley Act—undo many of the regulations that had been in place since the Great Depression. This act opened up competition among banks, brokerages and insurance companies.

1990S

At the onset of the decade, NBT Bank—then known as The National Bank and Trust Company—joined such major ATM networks as MAC/PLUS, Metroteller and NYCE/CASHERE. This new capability expanded customers' access to thousands of ATMs across the country and around the world. Bank employees were tuned into Bankers TV Network, a satellite service that delivered interactive programming and industry news. Although many of the bank's upstate New York markets were hurt by defense cutbacks and a continued erosion in manufacturing, the bank maintained a well-diversified loan portfolio. The bank helped fund convenience stores, engineering firms, hospitals, parks and senior housing projects. In addition, the bank played—and continues to play—an important role in investing in its communities by underwriting municipal debt to finance everything from schools to snowplows.

In 1992, the bank's holding company, NBT Bancorp Inc., began trading on the Nasdaq National Market on March 17. The move to Nasdaq's National Market provided more exposure and liquidity for the stock (symbol NBTB), which previously traded over the counter on the "pink sheets." On its first day of trading, the stock closed at \$12 (or \$4.59, adjusted for dividends and splits). Also in 1992, the bank established five regional manager positions to encourage local decision making. To better serve the local needs of customers, the bank reorganized into geographical market regions in 1993. The next year, the bank was recognized by several independent banking analysts as being one of the safest banks in the nation. Also in 1994, the bank's total assets exceeded \$1 billion for the first time in its history.

From 1900 to 1985, the bank had had only four presidents. By the mid-1990s, however, two bank presidents had departed in less than four years. Much of this turnover was related to differing opinions among the bank's leaders and board members over the direction of the bank's future. So in late 1994, the board tapped Daryl Forsythe to take the reins in January 1995. Forsythe, a bank director since 1988, had spent 28 years in the aerospace industry. Before joining the bank, he was general manager of BF Goodrich Aerospace's Engine Electrical Systems Division in Norwich. Coming out of retirement, also in January 1995, was Everett Gilmour, the bank's leader for most of the 1970s and 1980s. Gilmour once again became NBT Bancorp chairman, a position he held until his second retirement in 2001. In ads announcing Forsythe's hiring, the bank proclaimed: "Daryl Forsythe wasn't a banker—that's why he's our new CEO."

While hosting his first stockholders meeting in April 1995, Forsythe previewed the bank's new name and logo, both of which are still in use. In June, the bank

would officially change its name for the fourth time in its history, to NBT Bank, N.A., which is a subsidiary of NBT Bancorp. (The “N.A.” stands for “National Association” and is used only in formal or legal contexts.) The bank’s new logo—featuring a blue star, white text and a red background—signaled the bank’s new spirit. Forsythe informed stockholders that while the bank had long used blue and white in its logos, the red was introduced to reflect a newfound energy (the same colors would also be used for NBT Bancorp’s new logo). The star, he said, was added to “serve as a reminder of our goal of quality service.”²¹ He said the fresh look was also intended to create an “image that provides immediate recognition throughout the state.”²² To reinforce this mission of being upstate New York’s hometown bank, the name of each community was added alongside the NBT Bank name (so the Norwich branch, for example, became known as NBT Bank of Norwich). Expressing his hope for the future, Forsythe told stockholders: “NBT’s position is perfectly clear. We want to remain an independent community bank. ... We’ve been over some rough times. But I think we’re a strong bank. We’ve had to be a strong bank.”²³

The bank’s march of progress during the 1990s and beyond resulted in many new products and services. In 1995, the bank premiered its NBT Banker Card (a debit and ATM card) and a personal computer–based cash management system for municipalities and corporate customers. In 1996, it began offering home banking through the NBT Banker Line, a 24-hour-a-day telephone service. By 1997, all tellers had their own computers for instant access to bank-related information to better serve customers. That same year, the bank introduced Star Checking, which was the first—but certainly not the last—appearance of the word “star” in a bank product or service. The bank’s Trust and Investment Division invested in sophisticated technology that brought Wall Street to South Broad Street (the site of the bank’s headquarters). In 1998, NBT Banker Line Bill Pay allowed customers to pay their bills by phone. The bank also launched a new branch concept: offices inside convenience stores. Then there were stand-alone ATM kiosks outside branches, in stores and at other locations. In 2000, home banking expanded as NBT Online Banker for individuals made its debut; the business version followed two years later. In 2000, the bank also made its first venture into financial services by acquiring M. Griffith, Inc., a brokerage firm based in New Hartford. (The bank later sold M. Griffith in 2005.)

Between 1993 and 2000, the bank began testing the waters in new markets—such as Binghamton, Utica-Rome, Oneonta and Albany—by opening successful commercial banking offices that were later followed by full-service branches. After establishing a commercial and retail banking presence, the bank opened financial centers in Oneonta (2002), Greater Binghamton (2002) and the Capital Region (2004).

Now, if you're near a phone, you're near an NBT Bank.
 Introducing 1-800-NBT BANK (in the Norwich area: 337-BANK), our account information system that lets you bank anytime - and anywhere - by using a touch-tone telephone. Just enter your social security number and four-digit personal identification number (PIN)*, and you can review your account balances, verify if a check has cleared, transfer funds between accounts, check on your NBT Banker transactions, and much more...24 hours a day. So whether you're at home or in your car, at work or on vacation, fast and easy access to your NBT Bank accounts is just a phone call away.

1-800-NBT-BANK

NBT BANK
 Now Building Tomorrow.

*You'll need to choose your own PIN at time of initial use.
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Member FDIC

NBT Online Banker
 enrollment form

*24-hours a day, 7 days a week,
 it's the easy, secure way to do
 your banking from anywhere.*

In the mid-1990s and early 2000s, the bank rolled out telephone and Internet banking services.

Dreaming about a bigger house?

Reach for your Star
 with a Home Equity Loan

In 2004, NBT Bank adopted the tagline “Reach for your Star” (shown in a poster displayed in branch offices).

In the early 2000s, the bank expanded into several new markets. Shown below are the buildings that house: the Oneonta Financial Center in Oneonta; the Greater Binghamton Financial Center in Vestal; and the Capital Region Financial Center in Albany.



In 2000, the bank made its first out-of-state acquisition, buying 40 Pennsylvania branches operating under the name of Pennstar Bank. Pennstar became the largest community bank based in northeastern Pennsylvania.



These centers offer a full lineup of personal, business and asset management services. Other growth in the 1990s was focused on the North Country. In 1993, the bank acquired the Plattsburgh Brinkerhoff Street and Ellenburg Depot branches from KeyBank (the former would be moved to Margaret Street in 1998). The Plattsburgh Route 3 branch was opened in 1998. At the end of the decade, the bank had 36 branches in nine counties and total assets of \$1.4 billion. And despite widespread dread over the so-named Y2K computer bug, the new millennium arrived without a glitch for the bank and most everything and everyone else.

EARLY 2000S

For the bank, the start of the new century was the best of times and the worst of times. In 2000, the bank made its first out-of-state acquisition, buying 40 Pennsylvania branches that were previously owned by LA Bank, Pioneer American Bank, Sovereign Bank and Mellon Bank. By the end of the year, these branches were operating in six counties under the name of Pennstar Bank. Pennstar became the largest community bank based in northeastern Pennsylvania. A few branches even offered Sunday hours, believed to be a first for the NBT Bank family. With this acquisition, NBT Bank's market area stretched some 270 miles from north to south. Years later, in 2014, the Pennstar name would give way to NBT as the company unified its brand.

Another acquisition attempt would not go as well. In 2000, the bank planned to merge with Binghamton-based BSB Bank and Trust, which had 21 offices state-wide. This union would have placed NBT Bank among the largest independent community banks in upstate New York. But the merger was called off in late 2000 after issues arose with the amount of losses incurred in BSB's loan portfolio. In NBT Bancorp's 2000 annual report, Chief Executive Officer Daryl Forsythe called the terminated merger a "disappointment to all concerned" and the year itself "our toughest yet."

But by 2001, the bank was again in the expansion mode. That year, the bank acquired the First National Bank of Northern New York's six branches in Canton, Malone, Massena, Norfolk, Ogdensburg and Potsdam. Also that year, the bank opened a branch in Dallas, Pa., and acquired Central National Bank's 29 branches located primarily in New York State's Capital Region. Central National Bank offices began operating under the NBT Bank name in 2004.

During 2002, the bank created a consolidated and integrated retail financial services platform for both NBT Bank and Pennstar. Although NBT Financial Services and Pennstar Financial Services had been around a couple years, the bank's new alliance with brokerage firm Linsco/Private Ledger provided a full menu of investment and life insurance products and comprehensive sales support. While branch-based financial consultants assist with basic financial planning for individuals, the Trust and Investment Division's private client advisors group—also established in 2002—focuses on the more specialized wealth creation and preservation needs of individuals and organizations.

In a three-phase construction project, the bank made major improvements to its Norwich corporate campus between 2002 and 2004. In the first phase, completed in 2002, the bank built a new board suite at its headquarters and renovated the branch located in the same building. The bank added state-of-the-art telecommunications and multimedia capabilities to its board suite and improved the interior space and customer service areas of the branch. Phase two, completed in 2003, consisted of renovating much of the 25,000 square feet of a former A&P supermarket—located across the street from the bank’s headquarters. Moving its operational staff into this facility in March 2003 allowed the bank to add a built-in generator and uninterruptible power supply system to provide even more reliable support to its branch network. During the third phase, completed in 2004, the bank developed a new executive area at headquarters, renovated the Hayes Street Building (located behind headquarters and formerly known as the Data Processing Center and the Operations Building, respectively) and upgraded the first floor and basement level of headquarters. The basement level contains the cafeteria and training and meeting rooms. The Norwich campus now includes six buildings on South Broad Street, including the main headquarters building at 52 South Broad Street and the NBT-Mang Insurance corporate offices at 66 South Broad Street. Today, there are over 500 employees on the Norwich campus.

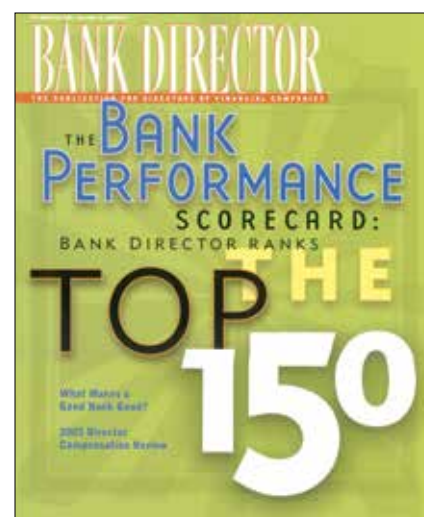
In 2003, the bank acquired a Whitney Point branch from Alliance Bank. In 2004, the bank formed NBT Settlement Services to provide title insurance for residential and commercial real estate transactions in New York and Pennsylvania. Some years later, the bank exited the settlement services business. Also in 2004, the bank opened three new offices: two in New York State (Binghamton Downtown and Endicott) and one in Pennsylvania (Mountaintop).

The bank received its first-ever “Outstanding” Community Reinvestment Act (CRA) rating in 2004. The CRA was enacted by Congress in 1977 to encourage banks to help meet the credit needs of all segments of their communities, including low- and moderate-income neighborhoods. After a thorough review, federal regulators gave the bank the highest rating possible—“Outstanding.” NBT Bank was praised for lending levels that reflected the following: an excellent responsiveness to the credit needs of their assessment areas; an excellent distribution of loans to borrowers of different income levels; and a high level of community development lending.

In 2005, the bank acquired Rochester-based EPIC Advisors, Inc., a full-service 401(k) plan recordkeeping firm whose clients include financial institutions throughout the country and small and midsize companies in upstate New York. This acquisition allowed the bank to expand its nontraditional banking activities, such as providing administrative and investment services for retirement plans. Also in 2005, the bank opened an office on State Street in downtown Albany, the financial center of the Capital Region. As of year-end, the bank’s earnings averaged \$1 million a week for the first time in its history. Its \$52.4 million in earnings represented a 553 percent increase since the start of 1990. In late 2005, *Bank Director*, the premier magazine for directors of financial companies, listed NBT Bancorp as the top-ranked financial company based in upstate New York for its financial performance in 2004 and 2005.



The Rochester building where EPIC Advisors’ offices are located.



In late 2005, *Bank Director* magazine listed NBT Bancorp as the top-performing financial company based in upstate New York.

Record-Setting & Transformative

2006–2016

This period was indeed one for the record books. It included a leadership change at NBT, historic turmoil in the financial services industry, unprecedented natural disasters, a dramatic expansion of the company's footprint, and sweeping changes in technology and the way consumers bank. Through it all, NBT prevailed as a top performer—for customers, communities and shareholders.

Still, it was a span of time that tested the company's mettle as much as than any other.

2006

In January 2006, Daryl Forsythe retired as chief executive officer of NBT Bancorp and was succeeded by Martin Dietrich, who had been president of NBT Bank since 2000 and president of NBT Bancorp since 2004. Daryl had a profound impact on the company during his 11 years as CEO. He remained with the organization as chairman.

Dietrich had been with NBT since 1981 and had worked in a number of areas—including accounting, commercial banking, marketing and retail banking.

The year continued on a positive note in February with the acquisition of CNB, parent company of City National Bank and Trust, expanding NBT Bank's market share in Fulton, Hamilton, Montgomery and Saratoga counties. The deal helped NBT achieve record earnings for a fifth consecutive year in 2006, with net income of \$55.9 million.

But trouble followed in June 2006 when historic flooding devastated upstate New York and northeastern Pennsylvania. Over the course of three days, a meteorological "perfect storm" dumped as much as 15 inches of rain on some communities. Hundreds of people were driven from their homes and businesses. Property damage was estimated in the hundreds of millions and, tragically, there were nine storm-related deaths.

The rains flooded several NBT Bank branches and the Canajoharie Operations Center. The basement at the operations center was taking on 10 feet of water as bank staff rushed to load critical documents and bulky equipment into an elevator, lifting nearly all of it to safety before the elevator itself flooded. From a loading dock they could see rising waters pouring down Main Street, compelling them to drive a lot full of company and courier vehicles to higher ground. These employees did all of this knowing that many of their own homes were also in harm's way.



Martin Dietrich (left) took over as CEO when Daryl Forsythe retired at the start of 2006.



In June 2006, unrelenting rainfall swelled waterways in upstate New York and northeastern Pennsylvania causing historic flooding.



At the storm's peak, states of emergency were declared and 36 NBT and Pennstar branches—about a third of the company's retail locations—were closed. Thanks to the heroic efforts of employees and an effective disaster recovery plan, downtime was limited to just a few days and interruptions to operations were minimal.

Marty Dietrich, managing his first crisis as CEO, wrote this: "It is easy under normal circumstances to talk about providing outstanding customer service. But to provide it under the worst of circumstances is something else entirely. Many customers needed ready access to their money to pay for flood-related expenses—including food and shelter—and we were there for them...even though, in a lot of cases, our own homes had been damaged."

Just a couple of weeks after the floodwaters subsided, NBT was able to move on to a happier event: the celebration of its 150th anniversary on July 15. As part of the observation, the executive team opened the trading day at the NASDAQ Stock Market in New York City on July 14. The following day, NBT hosted a picnic, parade and fireworks in Norwich for employees, customers and community members.



Decisive action by NBT employees saved most of the equipment and papers stored at the Canajoharie Operations Center.



In observance of NBT's 150th anniversary, the bank hosted a community-wide celebration (above) and the executive team opened the trading day at the NASDAQ Stock Market in New York City (below).





In 2008, NBT relocated its regional office and branch in Glens Falls, N.Y., to this historic downtown building.

**SAFE.
SOUND.
SECURE.**

OUR CUSTOMERS CAN
**SLEEP
AT NIGHT.**

Since 1856, customers have counted on NBT Bank to keep their money safe. In these uncertain financial times, NBT Bank continues to return your trust. We remain safe and sound. So rest easy. We are a community bank that is well capitalized, exceeding federal requirements. You won't find us dabbling in exotic investments or loans. What you will find are products and services grounded in the realities of your financial life.

With over 150 years of experience and \$5 billion in assets behind us, you can rest assured. NBT Bank is here to help secure your financial future.

NBT BANK
800-NBT-BANK | nbtbank.com

When the financial crisis erupted in 2008, the bank responded with one of the most extensive advertising campaigns in its history emphasizing strength and soundness.

2007

Heading into 2007, NBT leadership expected challenging times due to a difficult interest rate environment for banking. But they had a plan and formalized six strategic initiatives designed to continue improving people, process, structure, the customer experience and profitability.

NBT had always placed a premium on talent, and in this year launched its most ambitious training program ever—Star Leaders, which included intensive classes aimed at developing practical managerial skills. The program was successful and would continue to expand in ensuing years.

Company leaders also acted on plans to grow and diversify the bank's footprint. NBT opened a regional office and branch in Glens Falls, N.Y., part of an initiative to develop a presence in the Albany-to-Plattsburgh corridor. Meanwhile, Pennstar opened branches in East Stroudsburg and Bartonsville, both located in eastern Pennsylvania.

NBT entered the specialty lending business in late 2007 through an underwriting agreement with Springstone Financial. Springstone provided consumers with options for financing a private education or elective medical procedures (such as fertility treatments or hair replacement) through a network of schools and healthcare providers. As part of the agreement, NBT also purchased an ownership position in Springstone.

The Great Recession—which by most accounts lasted from December 2007 to June 2009—began with the bursting of an \$8 trillion housing bubble. The staggering loss of wealth that ensued led to cutbacks in consumer spending, chaos in financial markets and the near disappearance of business investment. This was followed by the largest loss of jobs since the Great Depression.

Much of the blame for the recession was laid at the feet of banks for allowing lax lending practices that resulted in bad loans. Some was directed at government regulators for allowing such practices to persist. Either way, it wasn't great news for the financial sector.¹

Fortunately and by design, NBT never compromised its lending standards. Nor did it participate in the kinds of exotic, risky investments that would ultimately doom many other financial institutions.

2008

Even as the economic downturn gained momentum in 2008, NBT produced a record year with growth across the board—including record loan growth—and its highest annual net income ever—\$58.4 million.

The bank launched a “numbers” ad campaign that featured messaging about its safety and soundness. At a time when many other banks were distressed or closing, NBT was there for customers lending money to help families and businesses. The ad campaign not only calmed nervous customers, it was credited with attracting new ones who deposited a total of \$64 million.

Staying true to a balanced strategy that blended organic growth and acquisitions, NBT relocated its Glens Falls regional office to a restored historic building downtown. It also opened a second branch in South Glens Falls. Offices were also opened to shore up other key markets: East Greenbush in the Capital Region, Johnson City in Greater Binghamton (also a historic restoration) and Dunmore in Greater Scranton.

NBT made another investment in the future when it acquired the Mang Insurance Agency in September 2008. Based in Binghamton, Mang was one of the largest independent insurance agencies in New York State. It was seen as a way to increase noninterest income and diversify the revenue stream overall. It was also NBT's largest nonbank acquisition to date, bolstering the company's position as a full-service financial provider.

2009

Despite continued fallout from the Great Recession, NBT stayed the course in 2009 and earnings remained strong. Trade publications and the national press continued to take notice of NBT's recession-resistant model. The bank earned top rankings from the *ABA Banking Journal*, *Forbes* and *Bank Director* magazine.

According to the Federal Deposit Insurance Corporation, more than 130 U.S. banks failed in 2009 and nearly 30% of all insured banks posted net losses. This difficult economic climate made NBT's strong performance all the more impressive.

NBT chose not to participate in the U.S. Treasury Department's Troubled Asset Relief Program (TARP), an option many banks were pursuing. Leaders remained confident they could manage the company successfully without TARP assistance in the current economic climate, and believed the decision to pass was in the best long-term interest of shareholders and customers.

With organic growth steady, NBT added a third state to its footprint by opening a regional headquarters in Burlington, Vt. This would become the first step toward a much larger expansion into New England.

The company's focus on people continued as well. NBT doubled the size of its Star Leaders training program and also increased the number of student employees and internships available.

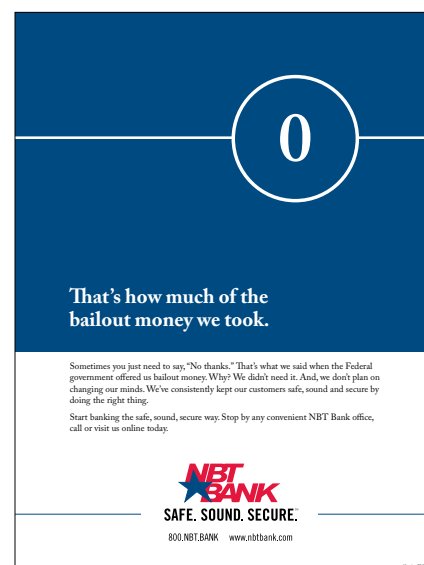
Standard & Poors added NBT to its Small Cap 600 Index in March 2009, prompting a surge in demand for its stock by institutional money managers. This created an opportunity for the company to raise about \$34 million in capital that was earmarked for future expansion and acquisitions.

2010

Legislative backlash to the Great Recession finally came when the Dodd-Frank Wall Street Reform and Consumer Protection Act was signed into law in July 2010. Dodd-Frank established several new government agencies including the Consumer Financial Protection Bureau, tasked with preventing predatory mortgage lending and protecting consumers from such practices.²



In 2009, NBT added a third state to its footprint by opening a regional headquarters in Burlington, Vt.



NBT was proud of its decision to forgo any kind of government bailout on the heels of the financial crisis, and said as much in this 2009 ad, part of its "numbers" campaign.



NBT joined the resurgence of downtown Schenectady by opening a branch in the city in 2010.



This aerial photo depicts the impact of Tropical Storm Irene in the Schenectady, N.Y., area in 2011.

NBT Bankers serve meals in the flood-ravaged community of Schoharie, N.Y., in the aftermath of tropical storms Irene and Lee.



It also meant costly regulatory burdens for banks, whether or not they had done anything wrong. Choosing to pursue a proactive approach, NBT began formulating a strategy for maintaining compliance with the ever-evolving regulations.

The bank shrugged off any post-recession doldrums that continued to dog other banks in 2010 and posted earnings in excess of \$50 million for the seventh consecutive year.

The bank also continued filling out its presence in New York's Capital Region, opening a branch in Queensbury near its two Glens Falls offices and its first branch in the City of Schenectady.

2011

Just as the recession clouds began to clear, a new and all-too-familiar threat blew into town. Two back-to-back tropical storms named Irene and Lee brought devastating flooding to NBT communities in New York and Pennsylvania. While it was now the late summer of 2011, it was hard not to think about the floods of 2006.

The bank and its employees once again sprang into action, setting up emergency ATMs, flood relief funds and serving 8,500 chicken dinners to distressed residents. Employees were on the ground in distressed areas, supporting relief efforts and working to restore normal bank operations so people would have access to their money. In one instance, a temporary branch was set up in a trailer.

Despite Mother Nature's intrusions and a still wobbly economy, NBT continued on a roll, posting its second highest earnings in the bank's history.

Buoyed by the fact that its strategy was paying off, NBT stepped up its game in New England. First, it opened two more branches in northwestern Vermont (Williston and Essex). Next, it added a new a new state to its footprint by acquiring four Legacy Banks branches in western Massachusetts (all in Berkshire County).

Plans were also set in motion to open a fifth branch in western Massachusetts and to acquire Hampshire First Bank and its five branches in southern New Hampshire, a deal that would expand NBT's footprint to five states!

These were game-changing developments in what would become known as the company's New England Strategy—a plan to grow and diversify NBT organically (opening de novo branches) and through acquisitions.

Closer to the company's traditional base, the New York market was shored up and expanded: a tenth location was added in Greater Binghamton, a new financial center opened in Utica and three branches in Greene County were acquired from Legacy Banks (a transaction that closed in January 2012).

The year wasn't all about building and expanding infrastructure. It was also about developing and retaining people who could deliver the best possible customer service. Programs like "Shine Brighter!" were rolled out to provide training and nurture a high-performance culture.

The company also offered a formal Professional Development Program designed to help NBT employees advance their careers through additional training and skills development.

The NBT Student Employment Program had become a mutually beneficial means of encouraging young people to consider a career in banking. It provided students with summer employment, an opportunity to gain work experience, and access to scholarships and career planning tools. At the same time, it helped the bank develop potential talent for the future and attracted enthusiastic understudies to fill in during the summer when many staff took vacation. In 2009, 46 students participated in the program; that number would grow to 90 by 2016.

NBT was defying the dominant narrative in the media that portrayed banks as villains in the nation's economic woes. Instead, it served as an example of a bank that had maintained its strength and integrity through very difficult times. Not only that, it was actively moving forward with plans to be a better, more diverse institution.

2012

Escalating government regulation and a languishing economy didn't slow NBT down in 2012. The company posted annual earnings in excess of \$50 million for the ninth straight year.

As planned, NBT completed its acquisition of the Hampshire First Bank offices in southern New Hampshire, opened its fifth branch in western Massachusetts and closed on the Greene County acquisitions.

Not only was the company officially doing business in five states now, it had a branch on the Atlantic coast! And the bank's New England presence was now anchored by western Massachusetts, northwestern Vermont and southern New Hampshire—forming a triangle that outlined a region targeted for future expansion.

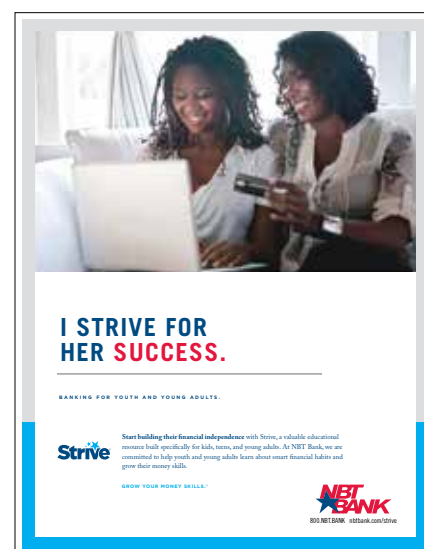
Turning again to its focus on people, NBT introduced an enhanced Management Development Program designed to create future company leaders. College graduates were recruited for the one-year program based on academic and aptitude assessments. They received formal training and also worked closely with company executives gaining hands-on experience in all departments of the bank. The goal was to fast-track recruits for careers in branch management, commercial banking, accounting and operations.

Another educational effort targeted a different type of student—kids! NBT launched its Strive® financial literacy program to teach kids and young adults about managing money. The curriculum evolved with the students as they progressed from elementary school to college. There was even a special suite of iStrive® products—including checking, savings and debit offerings—that participants could use to put their knowledge into practice.



NBT created and maintained a number of programs designed to develop talent from within the company.

The bank also launched its Strive® program to help children and young adults learn the basics about managing money and being fiscally responsible.





NBT Bank unveiled a new tagline in 2013, affirming its commitment to be there for the things that really count in customers' lives.



All of the Hampshire First Bank offices that had been acquired (like this one in Portsmouth, N.H.) were converted to NBT Bank in 2013 as the bank began the process of unifying its brand.



The acquisition of Alliance Financial Corporation was NBT's largest ever at the time it closed.

2013

The big news of 2013 was NBT's acquisition of Alliance Financial Corporation, the company's largest ever. Completed in March, the Alliance deal added \$1.4 billion in assets and 26 branches in Central New York. Industry analysts deemed it a seamless, strategically sound transaction.

There was virtually no overlap between the two banks' branch systems, yet they did business in contiguous markets, making them a perfect fit. They were also very compatible culturally, sharing the same philosophy about personal, community-based service.

The acquisition catapulted NBT past its previous earnings record, as the company finished the year with just shy of \$70 million in core net income. NBT also leaped past prior records for total assets (up nearly 27% to \$7.7 billion) and loans (up \$1.1 billion to \$5.4 billion).

With the bank's footprint expanding rapidly, NBT took strides to unify its brand in 2013, converting the Hampshire First offices acquired the prior year to NBT Bank. Thanks to some careful planning, new NBT signage was unveiled at all Alliance branches as soon as the deal closed. The Pennstar Bank branches would be renamed early in 2014.

Uniting the banks under a single name would produce operational efficiencies and make the breadth and quality of services offered by NBT more visible to consumers.



This map shows that there was virtually no overlap of branch locations when NBT acquired all the offices of Alliance Financial Corporation (represented by the red dots).

2014

In 2014, you might say NBT was still in a New England state of mind. And a technology state of mind. And—not surprisingly—a profit state of mind.

The company continued executing on its New England strategy opening a sixth office in western Massachusetts (Pittsfield) and a fourth in Vermont (Rutland). It also established a regional office in Portland, Maine, primarily to begin developing wealth management and commercial business.

So by the close of 2014—in just five years—NBT had staked a claim in New England that included four new states, nearly 100 employees and 16 locations with \$700 million in loans on the books. Management described New England as “exceeding expectations.”

Commercial banking also continued to flourish, contributing not only to profits, but also to the quality of life in NBT communities. Commercial deposits and loans both finished 2014 up from the prior year. Many of the millions in loans helped build things like urgent care centers, affordable housing and retirement homes.

NBT advanced its position as a leading producer of SBA loans, providing upstate New York businesses with over \$10 million in SBA financing.

Consumer preferences regarding banking, especially among young people, had been shifting for years. Visits to see tellers at branches were being supplanted—in significant numbers—by online, mobile and ATM transactions.

NBT had been an early adopter of digital banking technologies and continued to optimize its delivery channels in 2014. The bank rolled out digital branches in some locations with open floor plans and new self-service options. It upgraded its mobile banking and installed enhanced ATMs capable of accepting check or cash deposits without the need for envelopes or deposit slips.

NBT’s focus on digital banking was paying off. Self-service transactions in 2014 jumped from just over 3,000 in the first quarter to over 30,000 in the fourth quarter. This automation added to the bottom line by making the company more efficient and freeing up staff to manage more complex customer needs, like financial planning or applying for loans.

The bank’s optimization strategy was to deploy resources where they could best serve customers. Branches were to be reconfigured or on rare occasions closed as suggested by customer behavior. Such would be the case with the Londonderry, N.H., office, which closed in July 2016.

Another plus for the bottom line was the sale of NBT’s equity interest in specialty lender Springstone Financial, which was acquired by LendingClub in 2014. The one-time gain was used to restructure NBT’s long-term debt and reduce the cost by approximately 200 basis points. After the sale, NBT continued an underwriting relationship with LendingClub, a major player in the marketplace lending space.

The company’s brand unification was completed as all Pennstar branches were renamed NBT Bank and Mang Insurance Agency became NBT-Mang Insurance Agency.



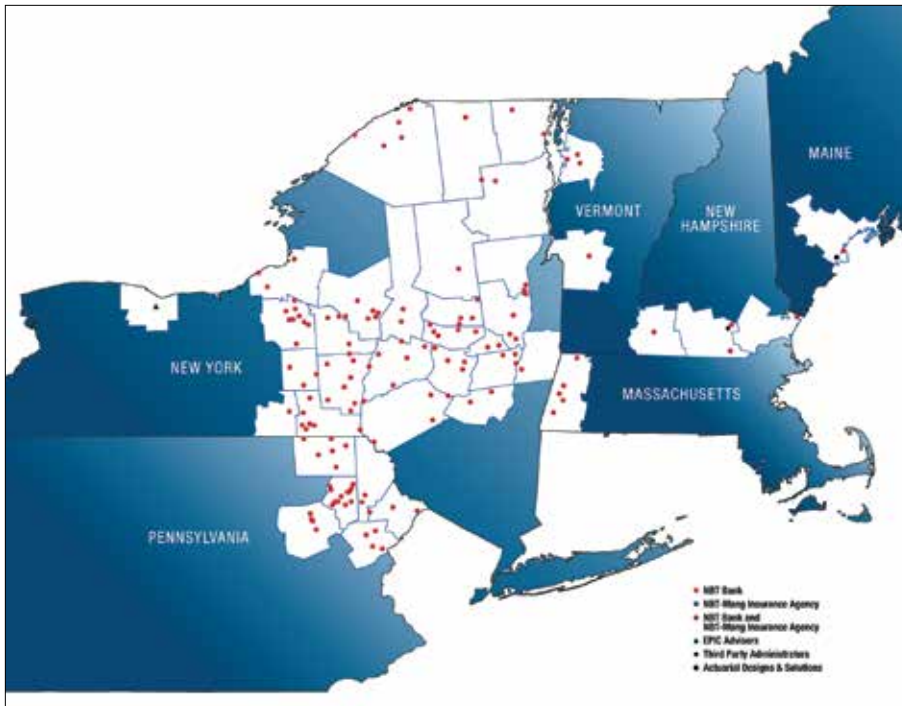
Posters and other marketing materials informed customers about the name change when Pennstar Bank became NBT in 2014.



NBT’s acquisition and organic growth strategy in New England formed a triangle that outlined an area targeted for future expansion.



An enhanced ATM at Cooperstown Commons in New York, one of many installed in 2014.



NBT's footprint had changed dramatically by 2016, with offices stretching from eastern Pennsylvania north to the Canadian border and west to the coast of Maine.



The ribbon cutting at NBT's new digital branch in Cortland, which opened in 2015. Its open floor plan and self-service options are shown below.



The “new-look” company—benefitting from the first full year of the Alliance acquisition and its success in New England—posted another earnings milestone surpassing the \$70 million mark with \$75.8 million in core net income.

NBT closed the year with 155 locations in six states and \$7.8 billion in assets.

2015

Quality people, a disciplined approach that balanced organic growth and acquisitions, and sound fundamentals enabled NBT to thrive—not just survive—in some of the toughest times ever for the financial services industry. Many of those challenges persisted in 2015: a prolonged low-rate environment, costly government regulation and intense bank and nonbank competition.

Nonetheless, demand deposits increased by over 11%, in 2015, finishing the year at nearly \$2 billion or 30% of total loans. These no-interest deposits were important for two reasons: they signaled an upswing in relationships with clients and gave NBT access to low-cost funds, a huge competitive advantage.

Organic growth in commercial loans, auto loans and residential mortgages reflected a deepening of those relationships.

In October 2015, NBT further diversified the company when it acquired Third Party Administrators, Inc., a New Hampshire consulting firm specializing in retirement plan design and compliance. This was in line with the company's plan to put more emphasis on wealth management and commercial business, versus opening new branches alone.

When the year was done, NBT set a new earnings record for the third consecutive year with \$76.4 million in net income.

2016

The year 2016 will no doubt be remembered for a changing of the guard. In May, Daryl Forsythe retired as chairman of the NBT Bank and NBT Bancorp Boards, bringing to a close 28 years of service. Since retiring from his position as CEO on January 1, 2006, he had continued to provide valuable leadership in his role as chairman.

“Daryl’s impact on NBT has been tremendous,” said NBT President and CEO Martin Dietrich, who replaced Forsythe as CEO back in 2006. “During his tenure, the company has grown from a community bank with a local presence in central New York to one of the leading financial services organizations in the northeast at a time when the banking industry has faced many historic challenges.”

Dietrich was elected to replace Forsythe as chair and at the same time announced his intention to retire from active employment as CEO at the end of 2016. John H. Watt, Jr. was immediately named NBT Bank president and was tapped to succeed Dietrich as CEO when he steps down.

Watt joined NBT in 2014 to lead the bank’s expansion into Maine and establish a regional headquarters in Portland. His role later expanded to providing executive leadership to various departments across the bank. Before coming to NBT, Watt was executive vice president of commercial banking, investment management and bank operations at Alliance Bank.

With a succession plan in place, NBT got back down to business.

EPIC Advisors, Inc., NBT’s retirement plan recordkeeping subsidiary, acquired Actuarial Designs & Solutions, Inc. (ADS) in August 2016. ADS, located in Maine, complemented EPIC by offering retirement plan consulting, administration and actuarial services.

NBT also launched a new mobile-friendly website that provided visitors with clear and easy access to helpful information and resources.

As 2016 continues, NBT is preparing for the day when it becomes a \$10 billion bank, having closed the prior year with \$8.3 billion in assets. Crossing this threshold will trigger a new set of regulatory requirements. It will also be an indication of how amazingly far the company has come in 160 years.

Marty Dietrich’s retirement will bring another chapter in NBT’s history to a close, but it certainly won’t be the last. If there’s one conviction Marty has consistently articulated throughout his tenure, it’s his belief in people and their ability to accomplish just about anything.

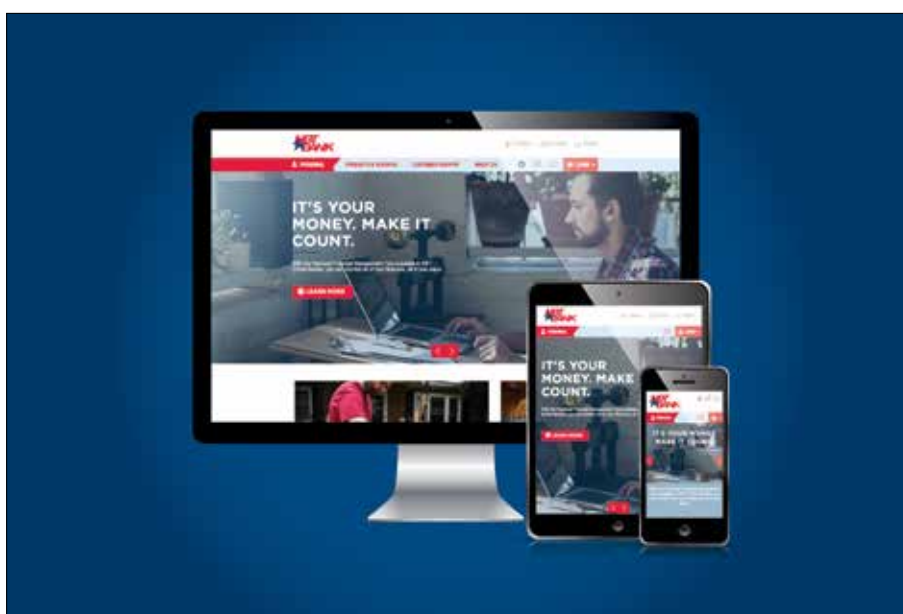
“The right people, doing the right things, in the right way.” This has been Marty’s mantra for success. And looking back at all of the obstacles NBT people have overcome, and all of the goals they’ve achieved, it would be hard to disagree.

As both Marty and Daryl Forsythe have said about the future of this company: “Our best years lie ahead!”



Martin Dietrich (left), who is retiring from active employment as CEO at the end of 2016, and his successor John H. Watt, Jr.

NBT launched a new mobile-friendly website in 2016 that featured an intuitive, clutter-free layout and big, bold images.



NBT Bank's Family Tree

NBT BANK

Established July 15, 1856, Norwich, N.Y.

Names

Bank of Norwich (1856–1865); The National Bank of Norwich (1865–1925);
The National Bank and Trust Company of Norwich (1925–1989); The National Bank and Trust Company (1989–1995);
NBT Bank, N.A. (1995–Present)

Headquarters

18 South Broad Street, Norwich, N.Y. (1856–1956)¹ | 52 South Broad Street, Norwich, N.Y. (1956–Present)

Acquisitions in 1930s

The Sherburne National Bank (1937)
The First National Bank of Earlville (1937)
The First National Bank of Bainbridge (1938)

Acquisitions in 1940s

The Otselic Valley National Bank (1945)
The National Bank of New Berlin (1946)

Acquisitions in 1950s

The First National Bank of Grand Gorge (1957)

Acquisitions in 1960s

First National Bank of Afton (1962)
Peoples National Bank of Margaretville (1963)

De Novo Branches² in 1960s

North Plaza Office, Norwich
(1969–1984; 1986–Present)

Acquisitions in 1970s

The Farmers National Bank of Deposit (1971)
The First National Bank of Newark Valley (1973)
The National Bank of Hobart (1974)
First National Bank in Sidney (1978)

De Novo Branches in 1970s

South Plaza Office, Norwich
(1970–1984; 1986–Present)

Acquisitions in 1980s

The National Bank of Oxford (1984)
The First National Bank of Hancock (1989)
Hayes National Bank (1989)
The Fulton County National Bank
and Trust Company (1989)
The Bank of Lake Placid (1989)
De Novo Branches in 1980s
Greene Office (1986)

Acquisitions in 1990s

KeyBank's Plattsburgh Brinkerhoff Street
Office³ and Ellenburg Depot Office (1993)
Community Bank Systems'
New Hartford Office (1995)

De Novo Branches in 1990s

Binghamton Northgate Office (1993)
Utica Business Park Office (1994)⁴
Rome Black River Office (1997)
Oneonta Southside Office (1998)
Plattsburgh Route 3 Office (1998)
Plattsburgh Margaret Street Office (1998)
Oneonta East End Office (1999)

Acquisitions in 2000s

LA Bank (2000)
M. Griffith, Inc. (2000–2005)
Mellon Bank's Marshalls Creek Office⁵
and Lords Valley Office (2000)
Pioneer American Bank (2000)
Sovereign Bank's six branches
in Susquehanna County, Pa. (2000)
First National Bank of Northern New York (2001)
Central National Bank (2001)
Alliance Bank's Whitney Point Office (2003)
EPIC Advisors, Inc. (2005)
City National Bank and Trust Company and
Hathaway Insurance Agency, Inc. (2006)
Mang Insurance Agency (2008)⁶
Wayne Bank's Hamlin Office (2009)

De Novo Branches in 2000s

Guilderland 441 New Karner Road Office
(2000–2004)

De Novo Branches in 2000s (cont'd.)

Dallas, Pa., Office (2001)
Oneonta Financial Center (2002)⁷
Greater Binghamton Financial Center,
Vestal (2002)
Guilderland 5 New Karner Road Office (2003)
Capital Region Financial Center, Albany (2004)
Binghamton Downtown Office (2004)⁸
Endicott Office (2004)
Mountaintop, Pa., Office (2004)
Albany State Street Office (2005)
Herkimer Office (2005)⁹
Glens Falls Regional Headquarters (2007)¹⁰
Latham Office (2007)
East Stroudsburg Office (2007)
Bartonsville Office (2007)
East Greenbush Office (2008)
South Glens Falls Office (2008)
Johnson City Office (2008)
Vermont Regional Headquarters (2009)

Acquisitions in 2010s

Four Legacy Banks offices in Berkshire County, Mass. (2011)
Hampshire First Bank (2012)
Legacy Banks offices in Greene County, N.Y.,
owned by Berkshire Bank (2012)
Alliance Bank's 26 offices in Onondaga, Cortland,
Madison, Oneida and Oswego Counties, N.Y. (2013)
Third Party Administrators, Inc. (2015)
Actuarial Designs & Solutions, Inc. (2016)
Columbia Ridge Capital Management, Inc. (2016)

De Novo Branches in 2010s

Queensbury Office (2010)
Schenectady Office (2010)
Williston Office (2011)
Essex Office (2011)
Utica Financial Center (2011)
Binghamton East Office (2011)
Lenox Office (2012)
Pittsfield Financial Center (2014)
Rutland Office (2014)
Maine Regional Headquarters, Portland (2014)

¹ This is the current street name and address of NBT Bank's original location.

² "De novo" branches are newly established branches, rather than those resulting from mergers or acquisitions (the Latin phrase means "from new").

³ Plattsburgh Brinkerhoff Street Office was closed and moved to our Plattsburgh Margaret Street Office.

⁴ Utica Business Park Office was closed and moved to our Utica Financial Center.

⁵ Marshalls Creek Office was closed and moved to our East Stroudsburg Office.

⁶ The Mang Insurance Agency name was later changed to NBT-Mang Insurance Agency.

⁷ Although technically not a de novo location, this center was established from an expanded and renovated Central National Bank Wall Street Branch in Oneonta.

⁸ Binghamton Downtown Office was closed and consolidated into our Binghamton East Office.

⁹ This stand-alone office replaced an in-store location inside Walmart on North Carolina Street in Herkimer.

¹⁰ Established a temporary regional office at 136 Glen Street, which was relocated to 86 Glen Street in 2008.

Timeline of NBT Presidents & CEOs

From NBT's beginnings in 1856 through the close of 2016, 14 individuals have led the bank and its holding company, NBT Bancorp Inc., which was formed in 1986.

JAMES H. SMITH
1856–1872

NELSON B. HALE
1873–1877

BURR B. ANDREWS
1878–1885

WARREN NEWTON
1885–1891

T. DEWITT MILLER
1892–1910

HOWARD D. NEWTON
1910–1916

J. BENNETT TURNER
1917–1938

OTIS A. THOMPSON
1938–1968

EVERETT A. GILMOUR
1968–1986

DONALD E. STONE
1986–1991

JOSEPH M. BUTARE
1991–1994

DARYL R. FORSYTHE
1995–2005

NBT Bank President & CEO and NBT Bancorp President & CEO, 1995–2000

NBT Bank CEO and NBT Bancorp President & CEO, 2000–2003

NBT Bancorp CEO, 2004–2005

MARTIN A. DIETRICH
2000–2016

NBT Bank President, 2000–2003

NBT Bank President & CEO and NBT Bancorp President, 2004–2005

NBT Bank President & CEO and NBT Bancorp President & CEO, January 2006–May 2016

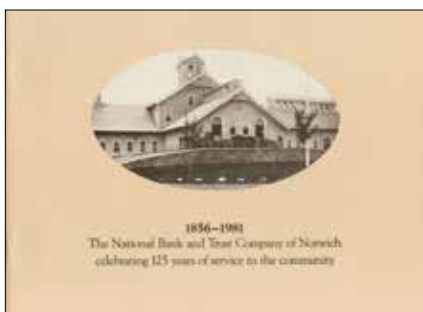
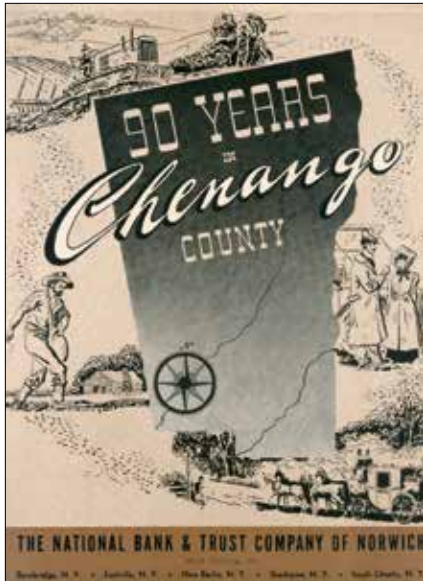
NBT Bank CEO and NBT Bancorp President & CEO, May 2016–December 2016

JOHN H. WATT JR.
2016–PRESENT (AS OF PUBLICATION)

NBT Bank President, May 2016–December 2016

NBT Bank President & CEO and NBT Bancorp President & CEO, December 2016

Endnotes



Previous NBT Bank anniversary-related books produced in 1946, 1956 and 1981.

SOURCES

CHAPTER 1: THE LAND OF MILK AND HAMMERS

(1) (2) *Annals of Norwich: Along the Chenango Canal*, Albert Phillips (1964); (3) (4) Thomas Grasso, Canal Society of New York State; (5) Chenango County Historical Society website; (6) *The Daily Star* (Oneonta, N.Y.), March 11, 2002; (7) *Gazetteer of Norwich 1869–70*; (8) Ball State University website; (9) Borden Chemical website; (10) Ball State University; (11) *For Each, The Strength of All: A History of Banking in the State of New York*, J.T.W. Hubbard (1995). Other information provided by the Chenango County Historian, the City of Norwich Historian, the Guernsey Memorial Library in Norwich and Wikipedia online encyclopedia.

CHAPTER 2: “WORTHY OF THE HIGH TRUST”

(1) (2) Resolutions of the Board of Directors of The National Bank of Norwich on the occasion of the death of James H. Smith, May 15, 1872; (3) *History of Chenango and Madison Counties, New York*, James H. Smith (1880); (4) Resolutions; (5) Chenango County Historian; (6) *New York Interior Illustrated Quarterly*, Early Winter 1908; (7) *History of Chenango and Madison Counties*. Other information provided by the City of Norwich Historian, the Guernsey Memorial Library in Norwich, the Old Sturbridge Village website and NBT Bank documents.

CHAPTER 3: GOING NATIONAL

(1) *For Each, The Strength of All: A History of Banking in the State of New York*, J.T.W. Hubbard (1995); (2) US History website; (3) *A Guide to the National Banking System*, Office of the Comptroller of the Currency (2005); (4) United States Secret Service website; (5) *New York in the War of the Rebellion*, Frederick Phisterer (1912); (6) *A Guide to the National Banking System*; (7) *National Banks and The Dual Banking System*, Office of the Comptroller of the Currency (2003); (8) Tax History Museum website; (9) Federal Railroad Administration website. Other information provided by the Chenango County Historian, Microsoft Encarta Online Encyclopedia, InvestorWords website and NBT Bank documents.

CHAPTER 5: RENOVATIONS AND INNOVATIONS

(1) (2) (3) *New York Interior Illustrated Magazine*, July 1907; (4) *The Norwich Sun* (Norwich, N.Y.), November 30, 1907; (5) *International Herald Tribune*, December 7, 2005; (6) *The Norwich Sun*, January 21, 1919; (7) *The Norwich Sun*, May 27, 1919; (8) *The Norwich Sun*, September 14, 1920; (9) *The Norwich Sun*, January 3, 1923. Other information provided by the Chenango County Historian, the City of Norwich Historian, the Guernsey Memorial Library in Norwich and NBT Bank documents.

CHAPTER 6: GROWING DURING TOUGH TIMES

(1) (2) (3) (4) “Great Depression in the United States,” Microsoft Encarta Online Encyclopedia and (5) (6) (7) (8) *90 Years in Chenango County*, The National Bank and Trust Company of Norwich (1946). Other information provided by *The Norwich Sun* (Norwich, N.Y.), August 20, 1945, Federal Reserve Board, Economic History Encyclopedia website, Wikipedia online encyclopedia, Attorney General of Kansas and NBT Bank documents.

CHAPTER 7: LOOKING BACK AND LOOKING AHEAD

(1) *Beginning Another Century of Service*, The National Bank and Trust Company of Norwich (1956); (2) *The Evening Sun* (Norwich, N.Y.), April 17, 1968; (3) (4) (5) *The Evening Sun*, special section, May 1965. Other information provided by Microsoft Encarta Online Encyclopedia, the Guernsey Memorial Library in Norwich and NBT Bank documents.

CHAPTER 8: THE “PRIMARY VEHICLE” FOR FUTURE EXPANSION

(1) Randall Kroszner, “The Motivations Behind Banking Reform,” *Regulation* (Summer 2001) and (2) Jith Jayaratne and Philip Strahan, “The Benefits of Branching Deregulation,” *Regulation* (Volume 22, No. 1, 1999). Other information provided by the Guernsey Memorial Library in Norwich and NBT Bank documents.

CHAPTER 9: A NEW NAME FOR A NEW ERA

(1) (2) (3) *The Evening Sun* (Norwich, N.Y.), April 24, 1995. Other information provided by NBT Bank documents.

CHAPTER 10: RECORD-SETTING & TRANSFORMATIVE

(1) Summarized from data compiled by the *Federal Reserve Bank of St. Louis*, *Wall Street Journal* and *Economic Policy Institute*. (2) Summarized from information compiled by the *U.S. Securities and Exchange Commission*. Additional citations as indicated in text from *Federal Deposit Insurance Corporation*, *Forbes*, *Bank Director* and *ABA Banking Journal*. Other information derived from NBT documents such as annual reports, newsletters and press releases.



Transformative times prompted an update of this 2006 NBT Anniversary Book just 10 years later—the 2016 version published [here](#).

ACKNOWLEDGMENTS

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