



ORDER ISSUED UNDER SECTION 12–a OF THE NEW YORK BANKING LAW

WHEREAS, pursuant to Section 12–a of the Banking Law, the Superintendent of Financial Services (the “Superintendent”) may issue an order authorizing one or more state-chartered banking institutions to exercise a federally permitted power (as such term is used in Section 12–a), subject to such terms and conditions as the Superintendent shall find necessary and appropriate; and

WHEREAS, Section 6.5 of the General Regulations of the Superintendent (“Section 6.5”) was adopted in 1999 to permit a New York-chartered bank to make Public Welfare Investments on a parity with national banks under Part 24 of the regulations of the Office of the Comptroller of the Currency (the “OCC”); and

WHEREAS, the purpose of Section 6.5 is to foster investments in projects that serve a public purpose by providing or supporting: (1) affordable housing, community services, or permanent jobs for low- and moderate- income individuals; (2) equity or debt financing for small businesses; (3) area revitalization or stabilization; or (4) other activities, services, or facilities that primarily promote the public welfare; and

WHEREAS, the OCC has adopted a number of revisions to Part 24 that have not been incorporated in Section 6.5, and this has given rise to a number of differences between Part 24 and Section 6.5 including the following:

- The Department of Financial Services (the “Department”) may allow a New York bank that is at least adequately capitalized to invest up to ten percent of its capital and surplus in Public Welfare Investments while the OCC may allow a similarly capitalized national bank to so invest up to fifteen percent of its capital and surplus;
- When making a Public Welfare Investment, a national bank (unlike a New York bank) need not demonstrate that:
 - Obtaining alternate private market financing is not reasonably practicable;
 - The investment will benefit communities otherwise served by the bank, and

- There is non-bank community support for the investment;
- A national bank (unlike a New York bank) may self-certify its Public Welfare Investments even if more than twenty-five percent of such projects are in a state or metropolitan area other than that in which the bank maintains its main office or branches;
- A New York bank may only self-certify a limited, albeit extensive, list of Public Welfare Investments while a national bank is not so limited; and

WHEREAS, Manufacturers and Traders Trust Company (the “Bank”) has requested relief under Section 12-a in order to be able to make Public Welfare Investments to the same extent as national banks and to satisfy the terms of its Community Growth Plan that sets forth its community-focused investment goals for the term of January 1, 2022 through December 31, 2027; and

WHEREAS, the intent of the Superintendent to issue the order set forth below has been posted upon the bulletin board of the Department of Financial Services and such intent has been published in the weekly bulletin of the Department, which is available on the internet, pursuant to Section 42 of the Banking Law, and at least thirty days have passed since such posting and publication;

WHEREAS, the Superintendent finds that the Bank has a record of prudently managing Public Welfare Investments; and

WHEREAS, the Superintendent finds that enhancing the ability of the Bank to meet the lending, investment, and banking needs of the communities that it serves is consistent with the policy of the State of New York as declared in Section 10 of the Banking Law and thereby protects the public interest, including the interests of depositors, creditors, shareholders, stockholders and consumers, and is necessary to achieve or maintain parity with respect to rights, powers, privileges, benefits, activities, loans, investments or transactions between New York-chartered banks and trust companies and their Federal counterparts – i.e. national banks.

NOW, THEREFORE, BE IT ORDERED THAT

Notwithstanding anything in law or regulations to the contrary, pursuant to Section 12–a of the Banking Law:

The request from the Bank is granted to authorize the Bank to make Public Welfare Investments to the same extent as national banks may make such

Public Welfare Investments under Section 24 (Eleventh) of the National Bank Act, 12 U.S.C. § 24 (Eleventh), and Part 24 of the regulations of the Comptroller of the Currency, 12 C.F.R. Part 24, as in effect on the date hereof.

/s/ Adrienne A. Harris
Adrienne A. Harris
Superintendent of Financial Services

Dated: January 30, 2023