



**Five Star Bank**

Banking | Investment | Insurance

## 2020 Community Report

Cultivating a stronger community.





“We were able to bring certainty to customers, friends and neighbors dealing with so much uncertainty.”

It is a pleasure and an honor to present the third annual Five Star Bank Community Report. Across the organization, our associates are making a difference because of their dedication to serving our customers and improving our communities. Within this report we have endeavored to illustrate some of the ways that Five Star Bank is making a positive impact in our communities.

On the following pages you will find a timeline describing the Bank’s long history of helping to meet the needs in traditionally underserved markets, consolidation and growth, enhancement of the customer experience and planned expansion. You will read about consumer products and programs that are focused on helping our customers build financial security as well as a few of the affordable housing projects Five Star has supported over the past year, facilitating the development of important projects across our operating footprint.

Our associates give freely of their time and energy, volunteering for non-profit organizations and events to give back to the communities where they live and work. We provide a few examples of the programs and organizations that mean so much to them.

As a community bank, Five Star Bank is proud to invest in communities and non-profit organizations through donations, grants and sponsorships. We have highlighted some of the initiatives we support and their missions, and share their passion for empowering individuals and neighborhoods in the communities we serve. We believe that sponsorships are important to communities as they enrich the lives of our neighbors by providing accessible and low-cost events.

Since March of this year, we’ve had to change the way we operate. We responded swiftly to the COVID-19 pandemic and implemented an array of actions to protect the health and safety of our associates and customers while providing support to our consumer and business customers. The illustration on the last page of this report provides an overview of actions taken. In connection with one of the government’s major stimulus support initiatives, we were able to help 1,700 small businesses obtain \$270 million of Small Business Administration Payroll Protection Program loans, helping to preserve an estimated 18,000 jobs in our markets.

To deliver enhanced digital capabilities to our customers during a time when at-home access was critical, we successfully completed the launch of our new online and mobile platform, Five Star Bank Digital Banking. Now, more than ever, consumers and businesses need the ability to do their banking anywhere and anytime, and we leveraged the latest technology to provide new features and tools to improve accessibility and the overall digital banking experience for our customers.

These accomplishments were achieved with 65% of our associates working remotely. Our organization transitioned very quickly from business-as-usual operations to a new standard of working together from multiple locations across our footprint. Our associates have continued to work every day, ready to serve our customers and improve our communities.

During times of uncertainty, it is critical that individuals and businesses have access to their financial institution and the ability to work with trusted financial advisors. In many ways, we were able to bring certainty to customers, friends and neighbors dealing with so much uncertainty. Our thoughts remain with those most impacted by COVID-19.

In 2020, we are also experiencing a nationwide call to action and movement for change to put an end to systemic racism. Incidents of racial injustice and hatred have compounded the disproportionate impact and economic hardship endured by our communities of color and remind us that there is still much work to be done.

We do not tolerate racism or bigotry in any form and our community bank serves and supports people of all backgrounds. As the CEO of Five Star Bank, I am committed to doing all we can to support progress toward a stronger tomorrow for all. You will read within this report how we plan to work together to foster a more diverse, equitable and inclusive environment.

Thank you for your interest in Five Star Bank. I hope you enjoy reading our 2020 Community Report.

Cordially,

Martin K. Birmingham  
President & CEO  
September 30, 2020

## More than a century of community commitment.

Our five heritage banks established a strong presence in their geographies, with each operating in a rural area and playing an important role in helping to meet the credit needs of traditionally underserved markets. In 2002, Pavilion State Bank was merged into Wyoming County Bank and National Bank of Geneva. In 2005, the four remaining independently-operating rural community banks owned by Financial Institutions, Inc. (Bath National Bank, First Tier Bank & Trust, National Bank of Geneva and Wyoming County Bank) consolidated to create Five Star Bank.

Five Star Bank is grounded in the legacy of its community-oriented traditions, representing rural Western New York State for more than 200 years. In recent years, the Bank developed a vision for expansion into the more populated urban markets of Rochester (Monroe County), Buffalo (Erie County) and Elmira (Chemung County).

Our CityGate branch opened in 2015 in a moderate-income census tract in Rochester, with a 40% minority population and contiguous to a majority-minority census tract. This was our first financial solution center, a concept designed to meet evolving customer banking needs while accommodating a wide spectrum of customer preferences. Within the CityGate branch, we established The Flower City Community Room to serve as a professional space for non-profit organizations.

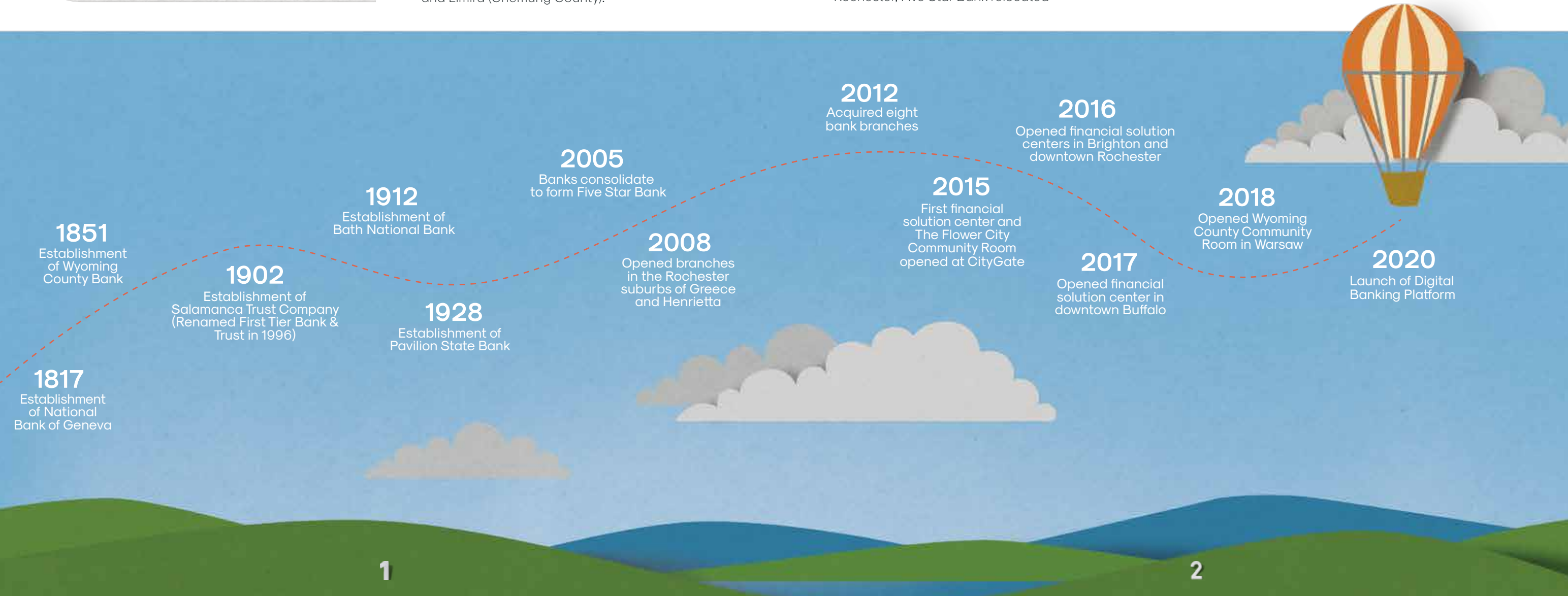
Our second Rochester branch opened in the suburb of Brighton in early 2016. In a commitment to the revitalization of downtown Rochester, Five Star Bank relocated

its regional administrative center from the suburbs to an existing downtown building in early 2017. The building was renamed Five Star Bank Plaza and is home to our downtown Rochester branch (opened in December 2016).

In early 2017, we opened a financial solution center in downtown Buffalo. This is our first location in the City of Buffalo and our fourth in Erie County.

Five Star Bank opened its second Community Room in the summer of 2018, providing professional space for local non-profit organizations in Warsaw. The Wyoming County Community Room is located at our 55 N. Main Street branch.

In February 2020, Five Star Bank announced that approvals were received from state and federal banking regulators to open two new branches in the City of Buffalo, at 2222 Seneca Street and 451 Elmwood Avenue. These new locations are expected to grow our branch network in the important Buffalo market, making us more accessible to residents and businesses and enabling us to deliver our style of community banking to these communities. Associates will offer a robust set of products and services designed to meet the needs of our customers and deliver education, advice and solutions to help them improve their financial well-being.



## Consumer Products and Programs

We understand that access to a bank account provides individuals and households with the opportunity to conduct financial transactions, save for emergency and long-term security needs, build credit history, and access credit on fair and affordable terms. Our focus remains on helping all of our customers build financial security.

Five Star Bank has invested in products and people to ensure the availability of safe, transparent and fair financial products. Offerings include a suite of products tailored to meet the needs of unbanked, underbanked and low- and moderate-income (LMI) individuals in the communities we serve, as well as programs to assist homebuyers with grants and savings programs.

### Allpoint ATM Partnership

We partner with Allpoint Network to provide our customers with access to more than 43,000 surcharge-free ATMs nationwide (55,000+ worldwide). This partnership serves as a valuable expansion of our ATM network, making cash access quick, easy and surcharge-free to our customers.

### Progress Checking

Designed for customers who want a low-cost account, this is an electronic checking account with no monthly fee. Digital Banking is included with mobile check deposit, bill pay and person-to-person payments. It also includes access to more than 43,000 surcharge-free ATMs nationwide.

### Home for You

This loan program is designed to provide easier access to home ownership for borrowers whose income is less than 80% of the area median income. The program features a low down payment, no private mortgage insurance and down payment and/or closing cost assistance for qualified applicants.

### Neighborhood Loan

This loan program is designed to provide easier access to home ownership for borrowers who are purchasing properties in low- and moderate-income tracts. The program features a low down payment requirement and no private mortgage insurance requirement.

### Homebuyer Dream Program™

Five Star Bank participates in the Homebuyer Dream Program™, a grant program sponsored by the Federal Home Loan Bank of New York ("FHLBNY"). The Homebuyer Dream Program™ is administered on a first-come, first-served basis.

### State of New York Mortgage Agency (SONYMA)

We participate in SONYMA loan programs, designed to help first-time low- and moderate-income borrowers obtain financing.

### Federal Government Loan Programs

The Five Star Bank menu of product offerings includes FHA, VA and USDA loan programs, all of which provide borrowers with low down payment options for purchase or refinance transactions.



## Community Development

### We have invested in people and resources to address the needs of the communities we serve.

Our Community Development Officer (CDO) is responsible for overseeing, coordinating and providing strategic direction for Five Star Bank's Community Reinvestment Act (CRA) related programming and outreach throughout the Bank's footprint. The CDO regularly engages with civic, business and governmental leaders and serves as liaison between Five Star Bank and the community at large to administer programs that meet the credit and banking needs of low- and moderate-income individuals and small businesses. The CDO supports the revitalization of LMI communities, coordinates financial services to LMI populations and implements partner programs with key stakeholders that demonstrate the Bank's commitment to build sustainable relationships. Our CDO is an advocate for the financial needs of the communities we serve throughout the Bank's footprint.

Community Development Mortgage Loan Officers play important roles in the execution of the Bank's CRA program to promote home ownership education and increase access to residential loans and low-cost deposit product opportunities in LMI neighborhoods. They are responsible for community outreach and partnering with local non-profit organizations and government agencies. They develop relationships with neighborhood groups, realtors, homebuyer counseling agencies and others to identify and accept applications for residential loans. They also refer small business loans and low-cost deposit product opportunities in LMI areas. In addition, they are active in local charitable and civic efforts geared toward enhancing access to credit and addressing poverty issues. Our four Community Development Mortgage Loan Officers are focused on the following areas: Rochester, Buffalo/Niagara and Elmira.

## Commitment to Diversity and Inclusion

Our core values embody the inclusive environment we are building within the Five Star family. Equity and inclusion are shared commitments to create and maintain an environment of trust, integrity and respect where all are empowered and encouraged. Through our mission, we seek to make meaningful and lasting change within our company and throughout our communities.

We are working toward a tomorrow where barriers are removed and all employees and customers feel included and supported. We pledge to support our people and foster a company culture that deeply values and respects diversity and inclusion. This not only means standing against racism, but understanding, accepting and valuing all individuals.

To help guide our team, a Diversity and Inclusion Advisory Council has been established. This Council will bring together associates from diverse personal and professional backgrounds to assess our cultural climate and recommend strategies to create a more diverse, equitable and inclusive environment. Areas of focus include:

- Identifying strategies to meet current and future workforce needs
- Providing employee learning opportunities that encourage positive behaviors
- Establishing channels for employee discussions on equity and inclusion
- Supporting our corporate duty to provide fair and responsible financial solutions

This must be a sustained effort and our leadership team understands the importance of fostering a more inclusive and diverse organization. Part of our journey is listening to the experiences of others and having an honest and open dialogue. We must all work together to take care of each other and build a fair and equitable society.

## Affordable Housing

### Debt and Equity Financing

Five Star Bank recognizes the need for affordable and special needs housing and offers debt and equity financing for these projects throughout our geographic footprint. Highlighted are four projects that the Bank has invested in over the past 12 months.

### Gerard Block Apartments Elmira (Chemung County)

In September 2019, the Bank provided \$6.4 million of construction loan financing and \$9.0 million in Low Income Housing Tax Credit equity for the historic restoration and adaptive reuse of two existing buildings into 28 affordable apartment units and approximately 9,700 square feet of commercial space.

The apartments will provide workforce housing and artist housing with a live/work component for residents leasing studio space. The newly renovated commercial units will provide updated and attractive commercial space in downtown Elmira. Apartment units will be affordable for tenants with incomes at or below 50% or 60% of area median income (AMI).

### Pines of Perinton Fairport (Monroe County)

In November 2019, Five Star Bank provided \$15 million of interim loan financing for the Pines of Perinton, a 508 unit family affordable housing community. Pines of Perinton has operated as affordable housing since its opening in 1976, originally funded through a HUD program. The loan represents an intermediate step, necessary for the project to be acquired and positioned for future financing to facilitate extensive renovation. The planned renovation will extend the property's useful life and preserve it as quality affordable housing.

### Stanton Meadows Apartments Seneca Falls (Seneca County)

In December 2019, we provided \$4.8 million of construction loan financing for the rehabilitation and preservation of an existing 118-unit affordable housing project, Stanton Meadows Apartments, located in Seneca Falls. This 18-building project was constructed in the early 1980s using USDA funding.

A substantial rehabilitation is necessary to preserve the units as affordable housing for the next 30 years. The housing provides a valuable resource for low-income rural families and primarily serves very low-income working families. Rents will be targeted as follows: 109 affordable to tenants with incomes at or below 60% of AMI and the remaining nine units will be affordable for tenants with incomes at or below 80% of AMI. Renovations will enable the project to serve the special needs population—18 units will be targeted to the special needs population of persons with physical disabilities.



### Union Square Rochester (Monroe County)

In December 2019, Five Star provided \$10.3 million of construction loan financing and \$7.7 million in Low Income Housing Tax Credit equity for the development of a new mixed-use affordable housing project consisting of 72 apartment units, first floor commercial space, a potential restaurant, a community pharmacy and medical office and program space.

Apartments will be available to households with a wide range of incomes. Rents will be targeted as follows: 15 units affordable to residents who earn at or below 30% of AMI; 14 units affordable to residents who earn at or below 50% of AMI; 22 units affordable to residents who earn at or below 60% of AMI; and 21 units affordable to residents who earn at or below 80% of AMI.

The project will include supportive housing with 21 of the 72 units (or 29%) receiving rental assistance from the NYS Empire State Supportive Housing Initiative for a special needs population. The mixed-income building is intended to continue to help establish downtown Rochester as a diverse neighborhood.



## Federal Home Loan Bank of NY Affordable Housing Program

The Federal Home Loan Bank of New York sets aside 10% of its private earnings to support the creation and preservation of housing for lower income families and individuals through the Affordable Housing Program (AHP). AHP funds are awarded to members who submit applications on behalf of project sponsors who are planning to purchase, rehabilitate or construct affordable homes or apartments.

### Ibero-American Development Corporation Rochester

The mission of the Ibero-American Development Corporation (IADC) is to provide quality affordable housing and opportunities for the economic advancement of Hispanic and other minority individuals and families and to provide social and recreational facilities to persons and families of low and moderate income.

IADC has developed and sold hundreds of vacant houses to low- and moderate-income homebuyers. IADC has also initiated activities to develop commercial space to house services for the Latino community and others.

Five Star Bank worked with IADC to help them obtain a \$1.5 million AHP grant for the development of 104 affordable housing units at the Puebla Nuevo Project.

“Ibero-American Development Corporation (IADC) is very proud of its partnership with Five Star Bank. Five Star was a key contributor in the development of Pueblo Nuevo, a transformational housing project in Northeast Rochester, by facilitating access to the Affordable Housing Program (AHP) of the Federal Home Loan Bank of New York. IADC greatly values Five Star Bank’s long and sustained support of our mission.”

Eugenio Marlin, President & CEO  
Ibero-American Development Corporation

### Urban League of Rochester Economic Development Corporation Rochester

The Urban League of Rochester Economic Development Corporation’s (ULREDC) mission is to improve the living and working conditions of poor, disadvantaged and underserved populations in the Rochester region through economic development and community revitalization initiatives, and to build an asset base for the Urban League of Rochester.

The ULREDC is one of the area’s largest developers of affordable single family housing in the Rochester area. ULREDC, a licensed New York State real estate broker, provides one on one financial counseling, mortgage pre qualification and referral for the properties it develops.

Five Star Bank worked with ULREDC to help them obtain a \$512,500 AHP grant for affordable housing at the Jefferson Wollensak project.

“Working with Five Star, we were able to secure over \$500,000 from the Federal Home Loan Bank of New York as gap financing for our Jefferson Wollensak Apartments. This project will provide a total of 41 units of much needed affordable housing, contribute to the stabilization of two Rochester neighborhoods and result in the adaptive reuse of a historic building, the former Wollensak Optical Building.”

Carolyn Vitale, Vice President & Chief Operating Officer  
Urban League of Rochester Economic Development Corporation

## SBA Lending

A strong commitment to small business lending is demonstrated by Five Star Bank's continued recognition as a top lender in our geographic footprint by the U.S. Small Business Administration (SBA). For the 2019 SBA year ending September 30, Five Star Bank finished 2nd overall in the combined Rochester, Buffalo, Syracuse and Elmira districts and 98th in the United States, based on SBA 7(a) loan volume.



## Lending to Support Urban Redevelopment and Job Creation

In 2017, Five Star Bank became a participant in the Rochester Housing Development Fund Corporation (RHDFC). RHDFC acquires and rehabilitates foreclosed single-family homes in the City of Rochester to create affordable housing for low- and moderate-income families. Five Star Bank committed \$1 million of the program's current non-revolving unsecured credit facility.

In 2019, the Bank became a participant in a loan fund with the Rochester Economic Development Corporation (REDCO), the City's Community Development Corporation and revolving loan fund operator. REDCO's focus is neighborhood economic development and support of emerging local city entrepreneurs. The loan fund will be used to advance funds for predevelopment loans to jumpstart early stage real estate development projects focused on key projects in targeted areas of Rochester. In addition to the \$500,000 five-year line of credit Five Star Bank provided, we serve as administrative agent for the group of banks providing similar loans to REDCO.

We also offer a lower interest rate on business loans to companies investing in and creating jobs in areas of the City of Rochester designated by the federal government as having a majority minority population.

## Investments

Five Star Bank's investment program includes the purchase of mortgage-backed securities, supporting low- and moderate-income homebuying and housing opportunities throughout our communities. The Bank has invested more than \$47 million in mortgage-backed securities over the past four years (ending 6/30/20).

We support local municipal activity in low- and moderate-income areas with the issuance of bond anticipation notes and statutory installment bonds. The Bank has issued more than \$22 million in local municipal debt over the past four years (ending 6/30/20).

Five Star Bank is also an active participant in the Federal Home Loan Bank's Urban Development Advance (UDA) program which provides financing for economic development projects in urban areas. Over the past four years (ending 6/30/20), the Bank has completed approximately \$129 million in UDA advances.

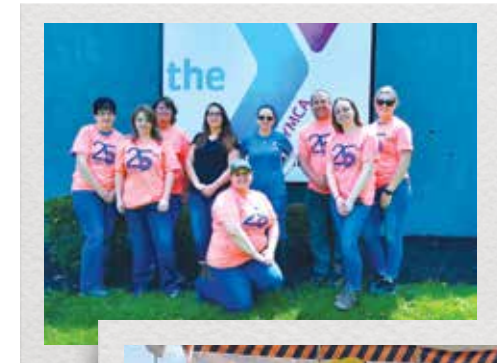


Five Star Bank provided a \$3.3 million loan and \$2.5 million historic tax credit equity investment for the renovation of 27 and 37 Chandler Street in Buffalo. The former factory buildings were renovated into modern kitchen incubator and restaurant space.

# Healthy communities. Shared opportunities.

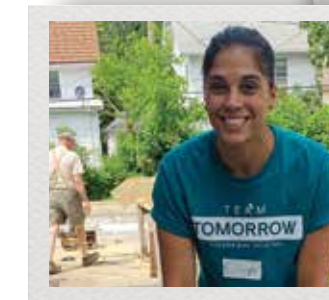
## Volunteering

Five Star Bank supports local non-profit organizations financially and through volunteer efforts. Our employees volunteer for events across our geographic footprint and support hundreds of different community and professional organizations as volunteers, trustees and committee members. Our STAR program empowers and inspires associates to give back to their communities by supporting volunteer activity with paid time off.



### Examples include:

- American Red Cross
- Boys & Girls Club of Buffalo
- Boys & Girls Club of Rochester
- Chamber of Commerce
- The Champion Academy
- ConnectLife
- Dimitri House
- Education Success Foundation/ Encompass Resources for Learning
- Elmcrest Children's Center
- Flower City Habitat for Humanity
- Genesee County Office for the Aging
- Habitat for Humanity (Chemung County and Rochester)
- Junior Achievement
- Juvenile Diabetes Research Foundation (JDRF)
- Kiwanis Club
- Lion's Club
- Local Initiatives Support Corporation (LISC) of Western New York
- Make-A-Wish Foundation
- Niagara County Industrial Development Agency (NCIDA)
- Northland Workforce Training Center
- PathStone Enterprise Center
- Ride for Roswell



- Rochester Area Community Foundation
- Rochester Housing Authority
- Rotary Club
- Salvation Army
- Seneca Park Zoo Society
- SPCA Serving Erie County
- The Teacher's Desk
- United Way
- Urban League of Buffalo and Rochester
- Warsaw Food Pantry
- Women's Business Center (Buffalo)
- Wyoming County Business Center
- YMCA/YWCA

Our associates also participate in first-time homebuyer seminars and financial literacy workshops throughout the year, across our markets.

## Donations, Grants and Sponsorships

Five Star Bank is proud to support organizations across our operating footprint by investing in communities through donations, grants and community sponsorships. Financial support is provided through donations for numerous community events, youth sporting events and school functions in our communities across Central and Western New York.

Through the award of grant dollars, we endeavor to support programs and organizations that empower individuals and neighborhoods in the communities we serve. Focus areas are:

- Affordable Housing
- Economic Development
- Neighborhood Revitalization & Stabilization
- Community Services Targeted to Low- and Moderate-Income (LMI) Individuals

## Grants

### Booker T. Washington Community Center

City of Auburn

The Booker T. Washington Community Center provides assistance and resources that empower children and community members to thrive through recreation, health and cultural programs. Booker T. Washington fosters an environment of inclusion and diversity, with respect for the civil liberties of all within the community they serve.

The Bank's grant in May 2020 provided support for the Center's after school and summer programs for low income and at-risk youth. Safe, supervised activities are offered at six different sites for more than 700 children. A broad range of social, educational, cultural and recreational programs engage youth in a variety of academic and service learning offerings.

“The gratitude we have for Five Star Bank is unmeasurable. They continually offer support both financially and through their banking programs. Thank you for believing in us and our mission. You truly do make a difference!”

Denise Farrington, Executive Director  
Booker T. Washington Community Center

“We are proud to be partners with the Five Star Bank family. The support, advice and counsel they provide to a non-profit like the Boys & Girls Clubs is invaluable. Additionally, our partnership with Five Star has helped to make a significant impact on increasing literacy rates for young people of color who attend the Boys & Girls Clubs. Last year, nearly 300 youth, ages 6 – 18, read and were tested daily on over 16,000 books. A goal that could not be achieved without the support of Five Star and their volunteers.”

Dwayne Mahoney, Executive Director  
Boys & Girls Clubs of Rochester

### Boys & Girls Clubs of Rochester

Monroe County

The mission of Boys & Girls Clubs of Rochester is to inspire and enable young people of all backgrounds to realize their full potential as productive, responsible and caring citizens.

Five Star's May 2020 grant provided ongoing support to the Boys & Girls Clubs accelerated reading and financial literacy programs. The accelerated reading program is the backbone of the organization's literacy efforts and has been helping Rochester youth improve their literacy skills for more than 17 years. It is anticipated that at least 80% of participants will increase their reading by 1.5 grade levels.

The financial literacy program focuses on the knowledge and skills needed to make effective and informed money management decisions, encompassing a range of everyday skills with topics such as balancing a checkbook to long term planning for retirement. The program's curriculum provides a framework for combining character development with financial education to raise a generation that is mentored to become financially stable and independent, with members learning how to build a solid foundation in saving, investing, sharing and spending by developing key habits.



## Buffalo City Mission

### Western New York

The Buffalo City Mission exists to meet the practical and spiritual needs of the homeless and impoverished community. Not only by providing meals and shelter, but through various programs and services including but not limited to higher education, childcare, children and adult education, legal services and veteran programs as well as transitional housing programs that guide members of the community on a path of self-sufficiency.

Our February 2020 grant provided support for the Mission's children's programming, education and meals. More than 98% of individuals served by this program are considered low income. Nearly all participants are either homeless children residing at Buffalo City Mission facilities or children living well below the poverty line in surrounding neighborhoods.

“We are so thankful for the tremendous support from Five Star Bank. Through their generosity, we were able to fund our Early Child Care and After School Programming for the year at our Women and Children's Center, Cornerstone Manor. These programs are essential and provide hope and healing to children of all ages and mothers in need.”

Dorian Volsch, Donor Engagement Officer  
Buffalo City Mission

## Catholic Charities of Chemung/Schuyler

### City of Elmira and Chemung County

The mission of Catholic Charities of Chemung/Schuyler is to build a just and compassionate society rooted in the dignity of all people by reducing poverty, promoting healthy individual and family life, collaborating with faith communities and advocating for justice and peace.

Five Star's grant in February 2020 provided support for the organization's Housing Counseling Services project, providing three critical services to the City of Elmira and Chemung County residents.

- Financial Fitness/Credit Counseling Program. Takes a holistic approach to personal financial fitness. Money behaviors and attitudes are considered as important as incomes, expenses and levels of debt. HUD-certified counselor works with consumers to create a budget and initiate a savings regimen.
- Mortgage Foreclosure Prevention/Loss Mitigation. HUD-certified counselor works with homeowners to tailor an approach to save homes from foreclosure. Services include developing a crisis budget, documentation review and helping the homeowner navigate the application process for hardship assistance and submission, mitigation and follow-up.
- First-Time Homebuyer Program. Targets designated public resources for homeownership toward households that need it most and would be unable to afford ownership without support but in a strong position to succeed with effective pre and post purchase education and counseling.

## Consumer Credit Counseling Services of Buffalo

### 8 Counties of Western New York, primarily Erie and Niagara Counties

The collective mission of Consumer Credit Counseling Services of Buffalo is to provide the best strategies to help people master their credit.

Our February 2020 grant provided support to the agency's Community Financial Literacy Program. Since 1965, CCCS has served over 200,000 individuals and families in Western New York. They provide counseling and free financial literacy classes that focus on budgeting techniques, debt repayment options, debt management plans, student loan repayment assistance, small business advice, the home buying process, credit report education and credit score explanations in the Western New York Community.

“We are extremely grateful for Five Star Bank's support of our Financial Literacy programming. Education surrounding personal money management is critical for low income individuals so that they too can learn how to accumulate wealth, and in doing so break the cycle of poverty. We are proud to partner with Five Star Bank on this initiative.”

Noelle Carter, President & Chief Executive Officer  
CCCS of Buffalo, Inc.

## The Center for Youth

### Greater Monroe County Region

The Center for Youth provides comprehensive programs and services from prevention education to counseling to emergency shelter to youth development opportunities with respect for and full participation of youth. They deliver these services with the deep belief that young people, given information and support, want to and can make their own positive life choices.

For nearly 50 years, the Center has provided emergency shelter services to more than 8,000 runaway and homeless youth and functions as the only emergency shelter for runaway and homeless youth, ages 12-15, in the county.

Five Star's May 2020 grant supported the Crisis Nursery of Greater Rochester. The Crisis Nursery is dedicated to 1) keeping babies and children safe and 2) responding to crises so that young ones are not impacted by the trauma that their parents or caregivers face. Providing emergency responses means that families avoid foster care or CPS calls; receive short- and long-term care through donations of household items, clothing and food and obtain referrals to other services. The Crisis Nursery is an important safety net.

“From the first meeting and a personal visit to our shelters, I knew that our Five Star Bank partners were authentically interested and cared about our work, our little ones and the community we were serving. The Crisis Nursery program represents a safety net for our families at risk and Five Star Bank was our safety net.”

Elaine Spaul, Executive Director  
Center for Youth / Crisis Nursery

## Willie Hutch Jones Educational & Sports Program

### Erie County

Over three decades ago, a group of civic-minded individuals embarked on a mission to provide summer programming to under-resourced and at-risk youth at no cost. The Willie Hutch Jones Educational and Sports Program (WHJESP) started as a small basketball clinic and through the years, has grown exponentially to provide year-round programming which includes a dozen summer sports clinics and afterschool programming at five locations during the school year. A robust science, technology, engineering, art and math (STEAM) component has been built into its program, as well as hosting an annual WHJESP Science Fair. The WHJESP also offers extracurricular activities such as dance, chess club and Boy and Girl Scouts.

Certified educators and dedicated volunteers facilitate the program and create a challenging curriculum and activities that engage kids, mentally and physically. Since its inception in 1984, the WHJESP has graduated well over 10,000 students from its program.

The 2019 grant from Five Star Bank helps to ensure that all programming remains free of charge by providing valuable resources for the WHJESP Science Fair, summer sports clinics and afterschool programs.

## Mozaic (formerly Arc of Seneca Cayuga)

### Seneca and Cayuga Counties

Arc of Seneca Cayuga and Arc of Yates merged in early 2020 to form Mozaic. Persons with intellectual and developmental disabilities continue to demonstrate the ability and desire to participate in community life in more meaningful ways, and there has been a gradual move away from the delivery of services in group-oriented programs toward more individualized options. Mozaic reinforces these options through its person-centered approach. Individuals can select how they wish to reside, work, pursue leisure activities and participate in the community with the comfort of knowing they will receive training, transportation, equipment and support in a safe and welcoming environment.

Five Star Bank's December 2019 grant provided funding to support the hiring of skilled manufacturing professionals to provide training for individuals at or near the poverty level, with special consideration given to applicants with disabilities. The training was completed at Finger Lakes Textiles in Waterloo. The knowledge, skills and abilities acquired through this rigorous course of on-the-job training prepare trainees to become skilled manufacturing professionals.

“The support that Mozaic received from Five Star Bank for our Inclusive Employee Training Project was a key factor in enabling us to carry out this much-needed program. Because of the project, five individuals with developmental disabilities received a comprehensive course of on-the-job training which enabled them to acquire the skills necessary to establish themselves as skilled manufacturing professionals. The training program was a complete success and the five participants now have new careers in manufacturing and became proud members of the workforce at Mozaic's Finger Lakes Textiles manufacturing facility, where they and their co-workers produce almost 1 million pieces of quality headwear each year.”

Edward Sayles, Director of Development  
Mozaic

# ABC

## Education Success Foundation

### Greater Rochester Area

Education Success Foundation is committed to supporting the academic success of at risk students. They raise funds for the Education Success Network (ESN) to provide extra academic programming in the classroom, after school and during the summer to over 2,400 children in the Rochester area. ESN is best known for the EnCompass Resources for Learning program and for its original school, the Norman Howard School. ESN actively partners with several traditional public and charter public schools throughout the community to expand its reach.

Education Success Foundation equips students to succeed in school and in life. EnCompass programs form a pre-k through graduation pathway of academic, wraparound navigation, college and career development services. From closing achievement gaps and preparing children for graduation to navigating life challenges with families, they are setting conditions for learning by breaking down barriers that keep students from succeeding.

Five Star Bank's grant provides essential support for the EnCompass Edible Education initiative. Food insecurity is widespread in the Greater Rochester community and, without proper nutrition, students do not arrive at school well prepared for learning. As part of Edible Education, students and families learn, garden, and cook healthy meals together; teens prepare for careers in culinary arts and food service; and they distribute emergency food baskets and weekend food backpacks. During COVID-19 school and program closures, critical meal support did not stop, with the delivery of more than 300 meals per day to students' doorsteps, along with other essentials and learning tools.

**“Five Star Bank’s support for our program is truly an investment in our community’s children and families. When our students see Mr. Birmingham, the President and CEO of the Bank, arrive on campus to meet them and provide encouragement it proves what we want all students to believe, ‘you live in a community that cares about you and cannot wait to see all that you can accomplish’.”**

Joseph Martino, CEO  
Education Success Foundation



## Bringing more support and smiles to our communities.

## Sponsorships

### Roc Holiday Village

Roc Holiday Village is Rochester’s annual holiday festival bringing magic downtown for people of all ages including free visits with Santa, free ice skating, a shopping village, food and drinks, tree lighting, pop-up restaurants, special events and more.

### Rotary Rink at Buffalo's Fountain Plaza

Five Star Bank partnered with Buffalo Place for a community tree lighting celebration and to provide free ice skating all season long.

### Clarissa Street Reunion

This annual festival takes place in one of the most culturally rich neighborhoods in Rochester, celebrating a neighborhood known for producing renowned jazz musicians in the 1940s, 1950s and 1960s.



## Sponsorships

### Ride for Roswell To End Cancer

The Ride for Roswell brings together our community with one mission – to end cancer. All money raised directly impacts Roswell Park Comprehensive Cancer Center.

### Seneca Park Zoo Jungle Jog

For more than 30 years, Seneca Park Zoo's Jungle Jog has been a fun family-friendly way to get out, be active and support Rochester's Zoo and global conservation efforts.

### Community festival support included:

- Cuba Garlic Festival
- Ellicottville Fall Festival
- Naples Grape Festival

### Sponsorships also support fundraising events for local non-profits across the operating footprint:

- Chamber of Commerce Organizations
- School Districts
- Colleges and Universities
- And many others



### About Five Star Bank and Financial Institutions, Inc.

Five Star Bank provides a wide range of consumer and commercial banking and lending services to individuals, municipalities and businesses through a network of approximately 50 offices throughout Western and Central New York State. Additional Five Star Bank information is available at [www.five-starbank.com](http://www.five-starbank.com) and on Twitter, Instagram and Facebook.

Five Star Bank, SDN Insurance Agency, LLC ("SDN"), Courier Capital, LLC ("Courier Capital") and HNP Capital, LLC ("HNP Capital") are subsidiaries of Financial Institutions, Inc. SDN provides a broad range of insurance services to personal and business clients. Courier Capital and HNP Capital provide customized investment management, investment consulting and retirement plan services to individuals, businesses, institutions, foundations and retirement plans. Financial Institutions, Inc. and its subsidiaries employ approximately 630 individuals. Financial Institutions, Inc. stock is listed on the NASDAQ Global Select Market under the symbol FISI. Additional information is available at: [www.fiiwarsaw.com](http://www.fiiwarsaw.com).



Helping our customers, associates and communities.

# Today. Tomorrow. Always.

## COVID-19 Response

### Associates

65% of non-retail associates working from home or remotely since March 16. As we move forward with our re-entry, at least 50% of non-retail associates will continue to work remotely for the foreseeable future.

Special bi-weekly bonuses paid to eligible associates through June.

Additional paid days off to manage personal needs, e.g., childcare, along with other flex working arrangements.

Continue to pay associates at home due to potential exposure, including branch associates.

### Consumers

Nearly 90% of our branches remained open<sup>1</sup> with two of our urban locations operating normally to ensure continued access to full-service banking by under-served communities.

Extensive customer relief programs instituted and we continue to work with customers one-to-one to address unique needs.

- Waived certain fees (e.g., late payment, NSF, among others)
- Not reporting payment deferrals to credit bureaus
- Up to 90-day grace period for consumer, mortgage and auto loan payments
- Providing lower rate emergency loans, up to \$5,000, to consumers

Continue to responsibly lend to qualified consumers.

### Businesses

Thoughtfully extending credit to small business and commercial customers for working capital and operating purposes.

### As of June 30, provided temporary loan relief to:

- 135 small business customers representing \$19 million in loans
- 227 commercial clients representing \$383 million in loans

### SBA Paycheck Protection Program ("PPP") as of July 20:

- Received total of 1,750 PPP loan applications representing approximately \$276 million in total loans
- Successfully processed 608 loans for approximately \$197 million to small businesses across Western and Central New York prior to round 1 funding being exhausted
- As of July 21, an additional 1,102 loans for approximately \$74 million processed in second round
- 1,693 loans for approximately \$270 million have closed/funded
- We estimate PPP loans have helped more than 18,000 small business employees in our communities

**Actively engaging community organizations to provide financial and technical support to benefit our communities in need.**

1) Drive-thru, vestibule ATM and appointment hours



# Five Star Bank

Banking | Investment | Insurance

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Insurance and investment products and services are not FDIC insured, are not a deposit and are not bank guaranteed, are not insured by any Federal governmental agency, and are subject to investment risks, including possible loss of principal invested. Insurance products may be provided by SDN Insurance Agency, LLC, an affiliate of Five Star Bank. Investment products may be provided by Courier Capital, LLC or HNP Capital, LLC, affiliates of Five Star Bank.