OPEN JOINT STOCK CO VIMPEL COMMUNICATIONS
Form 6-K
June 14, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Issuer
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of June 2005

Commission File Number 1-14522

Open Joint Stock Company "Vimpel-Communications"

(Translation of registrant's name into English)

10 Ulitsa 8-Marta, Building 14, Moscow, Russian Federation 127083

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F [X] Form 40-F [ ]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):___.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):___.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes [ ] No [X]

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82-____________.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

OPEN JOINT STOCK COMPANY
"VIMPEL-COMMUNICATIONS"

(Registrant)

Date: June 14, 2005

By: /s/ Alexander V. Izosimov

Name: Alexander V. Izosimov
Title: Chief Executive Officer and

General Director

order-bottom: Black 1pt solid"> **2012** **2011** (in thousands) Average Recorded Investment Interest Income Recognized Average Recorded Investment Interest Income Recognized Average Recorded Investment Interest Income Recognized Originated loans and leases with no related allowance Commercial and industrial Agriculture $0 $0 $0 $0 $145 $0 Commercial and industrial other 4,918 0 3,016 0 2,939 0 Commercial real estate Construction 6,201 0 7,430 0 3,284 0 Commercial real estate other 10,775 0 15,120 0 12,408 0 Residential real estate Home equity 1,223 0 484 0 166 0 Subtotal $23,117 $0 $26,050 $0 $18,942 $0 Originated loans and leases with related allowance Commercial and industrial Commercial and industrial other 0 0 3,140 0 2,938 0 Commercial real estate Construction 0 0 0 0 8,462 0 Commercial real estate other 0 0 261 0 2,521 0 Subtotal $0 $0 $3,401 $0 $13,921 $0 Total $23,117 $0 $29,451 $0 $32,863 $0

The average recorded investment and interest income recognized on impaired acquired loans for the twelve months ended December 31, 2013, 2012 and 2011 was as follows:

(in thousands)	**As of December 31, 2013** Average Recorded Investment	Interest Income Recognized	**2012** Average Recorded Investment	Interest Income Recognized	**2011** Average Recorded Investment	Interest Income Recognized
Acquired loans with no related allowance						
Commercial and industrial						
Commercial and industrial other	1,042	0	0	0	0	0
Commercial real estate						
Commercial real estate other	3,999	102	0	0	0	0
Residential real estate						
Home equity	73	0	0	0	0	0
Subtotal	$5,114	$ 102	$ 0	$ 0	$ 0	$ 0
Acquired loans with related allowance						
Commercial and industrial						
Commercial real estate						
Commercial real estate other	724	0	0	0	0	0
Subtotal	$724	$ 0	$ 0	$ 0	$ 0	$ 0
Total	$5,838	$ 102	$ 0	$ 0	$ 0	$ 0

Average balances were not calculated on the acquired loan and lease portfolio during the fourth quarter of 2012.

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The average recorded investment in impaired loans was $23.1 million at December 31, 2013 compared to $29.5 million at December 31, 2012.

Loans are considered modified in a TDR when, due to a borrower's financial difficulties, the Company makes a concession(s) to the borrower that it would not otherwise consider. When modifications are provided for reasons other than as a result of the financial distress of the borrower, these loans are not classified as TDRs or impaired. These modifications primarily include, among others, an extension of the term of the loan, and granting a period when interest-only payments can be made, with the principal payments and interest caught up over the remaining term of the loan or at maturity, among others.

The following tables present loans by class modified in 2013 as troubled debt restructurings.

Troubled Debt Restructuring

December 31, 2013	**Twelve months ended**			**Defaulted TDRs[4]**	
(in thousands)	Number of Loans	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment	Number of Loans	**Post-Modification Outstanding Recorded Investment**
Commercial and industrial					
Commercial and industrial other[1]	4	$ 878	$ 878	1	$ 645
Commercial real estate					
Commercial real estate other[2]	13	$ 1,837	$ 1,837	1	$ 140
Residential real estate					
Mortgages[3]	1	$ 195	$ 195	1	$ 195
Total	18	$ 2,910	$ 2,910	3	$ 980

1 *Represents the following concessions: extension of term and reduction in rate (3 loans: $808,000) extension of term (1 loan: $70,000)*
2 *Represents the following concessions: extension of term and reduction of rate (11 loans: $1.9 million) extension of term (1 loan: $129,000)*
3 *Represents the following concessions: extension of term and reduction of rate*
4 *TDRs that defaulted during the last 12 months that were restructured in the prior twelve months*

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December 31, 2012	**Twelve months ended**			**Defaulted TDRs**[5]	
(in thousands)	Number of Loans	Pre-Modification Outstanding Recorded Investment	Post-Modification Outstanding Recorded Investment	Number of Loans	**Post-Modification Outstanding Recorded Investment**
Commercial and industrial					
Commercial and industrial other[1]	4	$ 4,194	$ 4,194	0	$ 0
Commercial real estate					
Construction[2]	1	$ 3,475	$ 3,475	1	$ 3,475
Commercial real estate other[3]	2	$ 3,309	$ 3,309	1	$ 1,458
Residential real estate					
Mortgages[4]	3	$ 302	$ 302	2	$ 208
Total	10	$ 11,280	$ 11,280	4	$ 5,141

1 *Represents the following concessions: payment reduction (2 loans: $12,000) extension of term (2 loans: $4.2 million)*
2 *Represents the following concessions: interest rate reduction*
3 *Represents the following concessions: interest rate reduction (1 loan: $1.5 million) and payment reduction (1 loan: $1.9 million)*
4 *Represents the following concessions: extension of term (2 loans: $239,000) and extension of term and lower rate (1 loan: $62,000)*
5 *TDRs that defaulted during the last 12 months that were restructured in the prior twelve months*

The Company recognized TDRs with a balance of $2.9 million during 2013, compared to $11.3 million in 2012. The Company is not committed to lend additional amounts as of December 31, 2013 to customers with outstanding loans that are classified as TDRs.

A loan that was restructured as a TDR is considered to be in payment default once it is 90 days contractually past due under the modified terms. During the twelve month period ending December 31, 2013 there were three loans restructured that became 90 days or more past due. The three loans included a commercial real estate loan with a recorded balance of $140,000, a commercial and industrial loan with a recorded balance of $645,000, and a residential mortgage loan of $195,000.

The following table presents credit quality indicators (internal risk grade) by class of commercial loans, commercial real estate loans and agricultural loans as of December 31, 2013 and 2012.

December 31, 2013	
(in thousands)	Total

	Commercial and Industrial Other	Commercial and Industrial Agriculture	Commercial Real Estate Other	Commercial Real Estate Agriculture	Commercial Real Estate Construction	
Originated loans and leases						
Internal risk grade:						
Pass	$ 531,293	$ 72,997	$ 869,488	$ 52,054	$ 36,396	$ 1,562,228
Special Mention	20,688	100	17,536	123	3,918	42,365
Substandard	10,458	1,691	16,296	450	6,127	35,022
Total	$ 562,439	$ 74,788	$ 903,320	$ 52,627	$ 46,441	$ 1,639,615

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December 31, 2013

(in thousands)	Commercial and Industrial Other	Commercial and Industrial Agriculture	Commercial Real Estate Other	Commercial Real Estate Agriculture	Commercial Real Estate Construction	Total
Acquired loans						
Internal risk grade:						
Pass	$ 116,160	$ 0	$ 5,809	$ 1,150	$ 363,427	$486,546
Special Mention	3,821	0	11,516	1,985	0	17,322
Substandard	8,522	0	22,028	0	3,011	33,561
Total	$ 128,503	$ 0	$ 39,353	$ 3,135	$ 366,438	$537,429

December 31, 2012

(in thousands)	Commercial and Industrial Other	Commercial and Industrial Agriculture	Commercial Real Estate Other	Commercial Real Estate Agriculture	Commercial Real Estate Construction	Total
Originated loans and leases						
Internal risk grade:						
Pass	$ 410,255	$ 75,456	$ 677,261	$ 46,317	$ 26,126	$1,235,415
Special Mention	25,308	2,055	19,782	692	8,505	56,342
Substandard	11,313	266	25,230	1,300	6,974	45,083
Total	$ 446,876	$ 77,777	$ 722,273	$ 48,309	$ 41,605	$1,336,840

December 31, 2012

(in thousands)	Commercial and Industrial Other	Commercial and Industrial Agriculture	Commercial Real Estate Other	Commercial Real Estate Agriculture	Commercial Real Estate Construction	Total
Acquired loans						
Internal risk grade:						
Pass	$ 139,719	$ 0	$ 415,397	$ 813	$ 27,590	$583,519
Special Mention	7,717	0	10,112	2,136	5,416	25,381
Substandard	14,991	0	19,850	298	10,068	45,207
Total	$ 162,427	$ 0	$ 445,359	$ 3,247	$ 43,074	$654,107

The following table presents credit quality indicators by class of residential real estate loans and by class of consumer loans as of December 31, 2013 and 2012. Nonperforming loans include nonaccrual, impaired and loans 90 days past due and accruing interest, all other loans are considered performing.

December 31, 2013

(in thousands)	Residential Home Equity	Residential Mortgages	Consumer Indirect	Consumer Other	Total
Originated loans and leases					
Performing	$ 170,270	$ 651,139	$ 20,986	$ 32,274	$ 874,668
Nonperforming	1,539	7,827	216	38	9,620
Total	$ 171,809	$ 658,966	$ 21,202	$ 32,312	$ 884,289

December 31, 2013

(in thousands)	Residential Home Equity	Residential Mortgages	Consumer Indirect	Consumer Other	Total
Acquired Loans and Leases					
Performing	$ 65,339	$ 33,014	$ 5	$ 1,219	$ 99,577
Nonperforming	1,844	2,322	0	0	4,166
Total	$ 67,183	$ 35,336	$ 5	$ 1,219	$ 103,743

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December 31, 2012

(in thousands)	Residential Home Equity	Residential Mortgages	Consumer Indirect	Consumer Other	Total
Originated loans and leases					
Performing	$ 157,959	$ 566,542	$ 26,402	$ 32,235	$783,138
Nonperforming	1,761	7,319	277	16	9,373
Total	$ 159,720	$ 573,861	$ 26,679	$ 32,251	$792,511

December 31, 2012

(in thousands)	Residential Home Equity	Residential Mortgages	Consumer Indirect	Consumer Other	Total
Acquired loans					
Performing	$ 80,204	$ 40,810	$ 24	$ 1,498	$122,536
Nonperforming	1,453	808	0	0	2,261
Total	$ 81,657	$ 41,618	$ 24	$ 1,498	$124,797

Note 6 FDIC Indemnification Asset Related to Covered Loans

Certain loans acquired in the VIST Financial acquisition were covered loans with loss share agreements with the FDIC. Under the terms of loss sharing agreements, the FDIC will reimburse the Company for 70 percent of net losses on covered single family assets incurred up to $4.0 million, and 70 percent of net losses on covered commercial assets incurred up to $12.0 million. The FDIC will increase its reimbursement of net losses to 80 percent if net losses exceed the $4.0 million and $12 million thresholds, respectively. The term for loss sharing on residential real estate loans is ten years, while the term for loss sharing on non-residential real estate loans is five years in respect to losses and eight years in respect to loss recoveries.

The receivable arising from the loss sharing agreements (referred to as the “FDIC indemnification asset” on our consolidated statements of financial condition) is measured separately from covered loans because the agreements are not contractually part of the covered loans and are not transferable should the Company choose to dispose of the covered loans. As of the acquisition date with VIST Financial, the Company recorded an aggregate FDIC indemnification asset of $4.4 million, consisting of the present value of the expected future cash flows the Company expected to receive from the FDIC under loss sharing agreements. The FDIC indemnification asset is reduced as loss sharing payments are received from the FDIC for losses realized on covered loans. Actual or expected losses in excess of the acquisition date estimates will result in an increase in the FDIC indemnification asset and the immediate recognition of non-interest income in our financial statements. As of December 31, 2013, the FDIC indemnification asset totaled $4.8 million. As of December 31, 2012, the FDIC indemnification asset totaled $4.4 million.

A decrease in expected losses would generally result in a corresponding decline in the FDIC indemnification asset and the non-accretable difference. Reductions in the FDIC indemnification asset due to actual or expected losses that are less than the acquisition date estimates are recognized prospectively over the shorter of (i) the estimated life of the applicable covered loans or (ii) the term of the loss sharing agreements with the FDIC.

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Note 7 Goodwill and Other Intangible Assets

(in thousands)	Banking	Insurance	Wealth Management	Total
Balance at January 1, 2012	$23,600	$12,287	$ 8,011	$43,898
Acquisitions	40,934	7,273	215	48,422
Goodwill related to sale of portion of business unit	0	0	(15)	(15)
Balance at December 31, 2012	64,534	19,560	8,211	92,305
Purchase Accounting Adjustments1	(165)	0	0	(165)
Balance at December 31, 2013	$64,369	$19,560	$ 8,211	$92,140

[1] *The $165,000 reduction of goodwill in 2013 reflects and adjustment related to the completion of the final tax return related to the VIST acquisition.*

Goodwill is assigned to reporting units. The Company reviews its goodwill and intangible assets annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying value. Based on the Company's 2013 review, there was no impairment of its goodwill or intangible assets. The Company's impairment testing is highly sensitive to certain assumptions and estimates used. In the event that economic or credit conditions deteriorate significantly, additional interim impairment tests may be required.

Other Intangible Assets

The following table provides information regarding our amortizing intangible assets

December 31, 2013 *(in thousands)*	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
Amortized intangible assets:			
Core deposit intangible	$ 18,774	$ 9,131	$ 9,643
Customer relationships	8,010	2,740	5,270
Other intangibles	4,957	3,572	1,385
Total intangible assets	$ 31,741	$ 15,443	$ 16,298

December 31, 2012 *(in thousands)*	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
Amortized intangible assets:			
Core deposit intangible	$ 18,774	$ 7,657	$ 11,117

Customer relationships	8,010	2,017	5,993
Other intangibles	4,873	3,340	1,533
Total intangible assets	$ 31,657	$ 13,014	$ 18,643

Amortization expense related to intangible assets totaled $2.2 million in 2013, $1.3 million in 2012 and $589,000 in 2011. The estimated aggregate future amortization expense for intangible assets remaining as of December 31, 2013 is as follows:

Estimated amortization expense:* *(in thousands)*	
For the year ended December 31, 2014	$2,077
For the year ended December 31, 2015	1,952
For the year ended December 31, 2016	1,863
For the year ended December 31, 2017	1,754
For the year ended December 31, 2018	1,619

*Excludes the amortization of mortgage servicing rights. Amortization of mortgage servicing rights was $232,000 in 2013, $330,000 in 2012 and $257,000 in 2011.

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Note 8 Premises and Equipment

Premises and equipment at December 31 were as follows:

(in thousands)	2013	2012
Land	$9,442	$9,507
Premises and equipment	64,032	60,851
Furniture, fixtures, and equipment	47,223	44,616
Accumulated depreciations and amortization	(64,765)	(60,393)
Total	$55,932	$54,581

Depreciation and amortization expenses in 2013, 2012 and 2011 are included in operating expenses as follows:

(in thousands)	2013	2012	2011
Premises	$1,875	$1,855	$1,605
Furniture, fixtures, and equipment	3,044	2,614	2,338
Total	$4,919	$4,469	$3,943

The following is a summary of the future minimum lease payments under non-cancelable operating leases as of December 31, 2013:

(in thousands)	
2014	$4,737
2015	4,475
2016	4,434
2017	3,831
2018	3,644
Thereafter	22,583
Total	$43,704

The Company leases land, buildings and equipment under operating lease arrangements extending to the year 2090. Total gross rental expense amounted to $4.8 million in 2013, $3.3 million in 2012, and $2.1 million in 2011. Most leases include options to renew for periods ranging from 5 to 20 years. Options to renew are not included in the above future minimum rental commitments.

Note 9 Deposits

The aggregate time deposits of $100,000 or more were $407.7 million at December 31, 2013, and $462.0 million at December 31, 2012. Scheduled maturities of time deposits at December 31, 2013, were as follows:

(in thousands)	Less than $100,000	$100,000 and over	Total
Maturity			
Three months or less	$107,277	$152,654	$259,931
Over three through six months	86,520	60,420	146,940
Over six through twelve months	114,854	69,276	184,130
Total due in 2014	$308,651	$282,350	$591,001
2015	68,886	59,288	128,174
2016	29,195	19,108	48,303
2017	27,445	24,905	52,350
2018	18,050	14,006	32,056
2019 and thereafter	5,782	8,036	13,818
Total	$458,009	$407,693	$865,702

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Note 10 Federal Funds Purchased and Securities Sold Under Agreements to Repurchase

Information regarding securities sold under agreements to repurchase and Federal funds purchased for the years ended December 31, is detailed in the following tables:

Securities Sold Under Agreements to Repurchase	2013	2012	2011
(dollar amounts in thousands)			
Total outstanding at December 31	$167,724	$213,973	$169,090
Maximum month-end balance	201,933	295,511	243,163
Average balance during the year	177,779	200,893	173,552
Weighted average rate at December 31	1.97 %	2.03 %	2.61 %
Average interest rate paid during the year	2.11 %	2.22 %	2.81 %

Federal Funds Purchased	2013	2012	2011
(dollar amounts in thousands)			
Average balance during the year	5	0	140
Weighted average rate at December 31	**N/A**	N/A	N/A
Average interest rate paid during the year	0.75%	0.00%	0.72%

Securities sold under agreements to repurchase ("repurchase agreements") are secured borrowings that typically mature within thirty to ninety days, although the Company has entered into repurchase agreements with the Federal Home Loan Bank ("FHLB") with maturities that extend through 2017. The Company uses both retail and wholesale repurchase agreements. Retail repurchase agreements are arrangements with local customers of the Company, in which the Company agrees to sell securities to the customer with an agreement to repurchase those securities at a specified later date. Retail repurchase agreements totaled $55.3 million at December 31, 2013. At December 31, 2013, the Company had $112.4 million in wholesale repurchase agreements, with maturities of over one year. Of this $112.4 million in wholesale repurchase agreements, $80.0 million were with the Federal Home Loan Bank of New York and $32.4 million were with one large financial institution. Repurchase agreements with maturities due within one year are $25.0 million. Repurchase agreements with maturities over one year include $16.1 million in 2015, $61.2 million in 2016, and $10.0 million in 2017.

Securities sold under agreements to repurchase are stated at the amount of cash received in connection with the transaction. The Company may be required to provide additional collateral based on the fair value of the underlying securities.

During 2012, the Company prepaid $85.6 million of wholesale repurchase agreements with a money center bank. The Company incurred a net prepayment penalty of $369,000 which is included in "Other Operating Expenses" on the Company's Consolidated Statements of Income.

Federal funds purchased are short-term borrowings that typically mature within one to ninety days.

Note 11 Other Borrowings
The following table summarized the Company's borrowings as of December 31:

(in thousands)	2013	2012
Overnight FHLB advances	$215,738	$0
Term FHLB advances	101,293	91,847
Other	14,500	20,001
Total other borrowings	$331,531	$111,848

The Company, through its subsidiary banks, had available line-of-credit agreements with correspondent banks permitting borrowings to a maximum of approximately $58.0 million at December 31, 2013 and 2012. There were no outstanding advances against those lines at December 31, 2013 and 2012.

Through its subsidiary banks, the Company has borrowing relationships with the FHLB, which provide secured and unsecured borrowing capacity. At December 31, 2013, the unused borrowing capacity on established lines with the FHLB was $1.1 billion.

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As members of the FHLB, the Company's subsidiary banks can use certain unencumbered mortgage-related assets and available-for-sale investment securities to secure additional borrowings from the FHLB. At December 31, 2013, total unencumbered residential mortgage loans and available-for-sale investment securities of the Company were $660.5 million. At December 31, 2013, there were $215.7 million in overnight advances with a weighted average rate of 0.35%. In addition, there were $101.3 million in term advances with the FHLB with a weighted average rate of 1.49% compared to $91.8 million in term advances at December 31, 2012 with a weighted average rate of 4.62%. At December 31, 2013, the term advances with the FHLB include $20.0 million which mature within one year and $80.0 million which mature over one year. Maturities of advances due over one year include $30.0 million in 2015 and $50.0 million in 2017.

	Current Balance	Rate	Maturity Date	Call Date	Call Frequency	Call Features
	10,000,000	4.68%	June 9, 2014	March 9, 2014	Quarterly	FHLB Option
	10,000,000	4.76%	June 9, 2014	March 9, 2014	Quarterly	FHLB Option
	5,000,000	4.41%	March 29, 2017	March 30, 2014	Quarterly	LIBOR strike 6.0%
	5,000,000	4.89%	May 22, 2017	February 22, 2014	Quarterly	LIBOR strike 7.0%
	10,000,000	4.92%	June 8, 2017	March 9, 2014	Quarterly	FHLB Option
	10,000,000	5.14%	June 8, 2017	March 9, 2014	Quarterly	LIBOR strike 7.0%
	10,000,000	5.19%	June 8, 2017	March 9, 2014	Quarterly	FHLB Option
Total	$60,000,000					

Other borrowings included a term borrowing with a bank totaling $14.5 million and $20.0 million at December 31, 2013 and 2012, respectively. There were also a Treasury Tax and Loan Note account with the Federal Reserve Bank of New York totaling $100,000 at December 31, 2013 and 2012, and borrowings from unrelated financial institutions totaling $0 and $11,000 at December 31, 2013 and 2012, respectively.

The Company elected to apply the fair value option for a $10.0 million, 10-year fixed convertible FLHB advance at 5.183%, convertible at the end of 3 years with a maturity of June 28, 2017. The $10.0 million advance identified for fair value was selected because its duration was similar to the durations of trading securities. As of December 31, 2013, the aggregate fair value of the $10.0 million FHLB advance was approximately $11.3 million. For the twelve months ended December 31, 2013, the fair value of this advance decreased by $0.6 million. The change in fair value is included on the Company's Consolidated Statements of Income in "Mark-to-Market Gain (Loss) on Liabilities Held at Fair Value."

Note 12 Trust Preferred Debentures

The Company has four unconsolidated subsidiary trusts ("the Trusts"): Tompkins Capital Trust I, Sleepy Hollow Capital Trust I, Leesport Capital Trust II, and Madison Statutory Trust I. The latter two were acquired in the acquisition of VIST Financial, while Sleepy Hollow Capital Trust I was acquired in a previous acquisition. The Company owns

100% of the common equity of each Trust. The Trusts were formed for the purpose of issuing Company-obligated mandatorily redeemable capital securities to third-party investors and investing the proceeds from the sale in junior subordinated debt securities (subordinated debt) issued by the Company, which are the sole assets of each Trust. Since third-party investors are the primary beneficiaries, the Trusts are not consolidated in the Company’s financial statements. Distributions on the preferred securities issued by the Trusts are payable quarterly at a rate per annum equal to the interest rate being earned by the Trusts on the debenture held by the Trusts and are recorded as interest expense in the consolidated financial statements.

The preferred securities are subject to mandatory redemption, in whole or in part, upon repayment of the subordinated debt. The subordinated debt, net of the Company’s investment in the Trusts, qualifies as Tier 1 capital under the Board of Governors of the Federal Reserve System (FRB) guidelines. The Company has entered into agreements which, when taken collectively, fully and unconditionally guarantee the obligations under the preferred securities subject to the terms of each of the guarantees.

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The following table provides information relating to the Trusts as of December 31, 2013:

Description	Issuance Date	**Par Amount**	Interest Rate	Maturity Date
Tompkins Capital Trust I	April 2009	$20.5 million	7% fixed	April 2039
Sleepy Hollow Capital Trust I	August 2003	$4.0 million	3-month LIBOR plus 3.05%	August 2033
Leesport Capital Trust II	September 2002	$10.0 million	3-month LIBOR plus 3.45%	September 2032
Madison Statutory Trust I	June 2003	$5.0 million	3-month LIBOR plus 3.10%	June 2033

Tompkins Capital Trust I

In 2009, the Company issued $20.5 million aggregate liquidation amount of 7.0% cumulative trust preferred securities through a newly-formed subsidiary, Tompkins Capital Trust I, a Delaware statutory trust, whose common stock is 100% owned by the Company. The Trust Preferred Securities were offered and sold in reliance upon the exemption from registration provided by Rule 506 of Regulation D of the Securities Act of 1933, as amended (the "Securities Act"). The proceeds from the issuance of the Trust Preferred Securities, together with the Company's capital contribution of $636,000 to the trust, were used to acquire the Company's Subordinated Debentures that are due concurrently with the Trust Preferred Securities. The net proceeds of the offering are being used to support business growth and for general corporate purposes.

The Trust Preferred Securities and the Company's debentures are dated April 10, 2009, have a 30 year maturity, and carry a fixed rate of interest of 7.0%. The Trust Preferred Securities have a liquidation amount of $1,000 per security. The Company has retained the right to redeem the Trust Preferred Securities at par (plus accrued but unpaid interest) at a date which is no earlier than 5 years from the date of issuance. Commencing in 2019, and during specified annual windows thereafter, holders may convert the Trust Preferred Securities into shares of the Company's common stock at a conversion price equal to the greater of (i) $41.35, or (ii) the average closing price of the Company's common stock during the first three months of the year in which the conversion will be completed.

The Company has guaranteed the distributions with respect to, and amounts payable upon liquidation or redemption of, the Trust Preferred Securities on a subordinated basis as and to the extent set forth in the Preferred Securities Guarantee Agreement entered into on April 10, 2009, between the Company and Wilmington Trust Company, as Preferred Guarantee Trustee (the "Guarantee").

Sleepy Hollow Capital Trust I

In August 2003, Sleepy Hollow Capital Trust I issued $4.0 million of floating rate (three-month LIBOR plus 305 basis points) trust preferred securities, which represent beneficial interests in the assets of the trust. The trust preferred securities will mature on August 30, 2033. Distributions on the trust preferred securities are payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year. Sleepy Hollow Capital Trust I also issued $0.1 million of common equity securities to the Company. The proceeds of the offering were used to acquire the Company's Subordinated Debentures that are due concurrently with the Trust Preferred Securities.

Leesport Capital Trust II

Leesport Capital Trust II, a Delaware statutory business trust, was formed on September 26, 2002 and issued $10.0 million of mandatory redeemable capital securities carrying a floating interest rate of three month LIBOR plus 3.45%. These debentures are the sole assets of the Trust. The terms of the junior subordinated debentures are the same as the terms of the capital securities. The obligations under the debentures constitute a full and unconditional guarantee by VIST Financial of the obligations of the Trust under the capital securities. These securities must be redeemed in September 2032, but may be redeemed on or after November 7, 2007 or earlier in the event that the interest expense becomes non-deductible for federal income tax purposes or if the treatment of these securities is no longer qualified as Tier 1 capital for the Company. The Company assumed the rights and obligations of VIST Financial pertaining to the Leesport Capital Trust II through the Company's acquisition of VIST Financial in August 2012.

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Madison Statutory Trust I

Madison Statutory Trust, a Connecticut statutory business trust, was formed on June 26, 2003 and issued $5.0 million of mandatory redeemable capital securities carrying a floating interest rate of three month LIBOR plus 3.10%. Pursuant to the purchase of Madison Bancshares Group, Ltd on October 1, 2004, VIST Financial assumed Madison Statutory Trust I and owns all common equity of the Trust. Madison Statutory Trust I These debentures are the sole assets of the Trust. The terms of the junior subordinated debentures are the same as the terms of the capital securities. The obligations under the debentures constitute a full and unconditional guarantee by VIST Financial of the obligations of the Trust under the capital securities. These securities must be redeemed in June 2033, but may be redeemed on or after September 26, 2008 or earlier in the event that the interest expense becomes non-deductible for federal income tax purposes or if the treatment of these securities is no longer qualified as Tier 1 capital for the Company. The Company assumed the rights and obligations of VIST Financial pertaining to the Madison Statutory Trust I through the Company’s acquisition of VIST Financial in August 2012.

Note 13 Employee Benefit Plans

The Company maintains 2 noncontributory defined-benefit plans and one non-contributory defined-contribution retirement plan which cover substantially all employees of the Company.

The benefits under the noncontributory defined-benefit plans (the “DB Pension Plans”) are based on years of service and percentages of the employees’ average final compensation. Assets of the Company’s DB Pension Plans are invested in common and preferred stock, U. S. Government securities, corporate bonds and notes, and mutual funds. At December 31, 2013 and 2012, the plan assets included 42,192 shares of Tompkins’ common stock that had a fair value of $2.2 million and $1.7 million, respectively.

Effective January 1, 2010, the Company stopped admitting new employees to its noncontributory DB Pension Plan. As a result, the defined contribution plan (“DC Retirement Plan”) was created for employees hired on or after January 1, 2010 who had reached the age of 21 and completed one year of service. Also included in the DC Retirement Plan are employees who were hired prior to January 1, 2010 who made a one-time election in 2010 to freeze their benefit in the DB Pension Plan and begin future participation in the DC Retirement Plan instead. For participants in the DC Retirement Plan, the Company makes contributions to an account set up in the participant’s name. The amount equals a percentage of base pay and varies based on the participant’s age plus service as of the previous January 1st. The DC Retirement Plan offers the participant a wide range of investment alternatives from which to choose. Expenses related to the DC Retirement Plan totaled $850,000 in 2013, $544,000 in 2012 and $513,000 in 2011.

The Company maintains supplemental employee retirement plans (the “SERP”) for certain executives. All benefits provided under the SERP are unfunded and the Company makes payments to plan participants.

The Company also maintains a post-retirement life and healthcare benefit plan (the “Life and Healthcare Plan”), which was amended in 2005. For employees commencing employment after January 1, 2005, the Company does not contribute towards the Life and Healthcare Plan. Retirees and employees who were eligible to retire when the Life and Healthcare Plan was amended were unaffected. Generally, all other employees were eligible for Health Savings Accounts (“HSA”) with an initial balance equal to the amount of the Company’s estimated then current liability. Contributions to the plan are limited to an annual contribution of 4% of the total HSA balances. Employees, upon retirement, will be able to utilize their HSA for qualified health costs and deductibles.

The Company engages independent, external actuaries to compute the amounts of liabilities and expenses relating to these plans, subject to the assumptions that the Company selects. The benefit obligation for these plans represents the liability of the Company for current and former employees, and is affected primarily by the following: service cost (benefits attributed to employee service during the period); interest cost (interest on the liability due to the passage of time); actuarial gains/losses (experience during the year different from that assumed and changes in plan assumptions); and benefits paid to participants.

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The following table sets forth the changes in the projected benefit obligation for the DB Pension Plans and SERP and the accumulated post-retirement benefit obligation for the Life and Healthcare Plan; and the respective plan assets, and the plans' funded status and amounts recognized in the Company's Consolidated Statements of Condition at December 31, 2013 and 2012 (the measurement dates of the plans).

	Pension Plans		Life and Healthcare Plan		SERP Plan	
(in thousands)	2013	2012	2013	2012	2013	2012
Change in benefit obligation:						
Benefit obligation at beginning of year	$70,652	$63,754	$9,324	$8,510	$17,791	$15,727
Service cost	2,915	2,720	265	169	479	363
Interest Cost	2,688	2,721	345	363	737	716
Plan participants' contributions	0	0	247	253	0	0
Business Combination	0	0	0	0	1,378	0
Actuarial (gain) loss	(8,203)	3,770	(1,168)	644	(2,754)	1,308
Benefits paid	(2,431)	(2,313)	(565)	(615)	(349)	(323)
Benefit obligation at end of year	$65,621	$70,652	$8,448	$9,324	$17,282	$17,791
Change in plan assets:						
Fair value of plan assets at beginning of year	$56,668	$47,542	$0	$0	$0	$0
Actual (loss) return on plan assets	8,696	4,439	0	0	0	0
Plan participants' contributions	0	0	247	253	0	0
Employer contributions	8,000	7,000	318	362	349	323
Benefits paid	(2,431)	(2,313)	(565)	(615)	(349)	(323)
Fair value of plan assets at end of year	$70,933	$56,668	$0	$0	$0	$0
Funded (Unfunded) status	$5,312	$(13,984)	$(8,448)	$(9,324)	$(17,282)	$(17,791)

The accumulated benefit obligation for the DB Pension Plans for 2013 and 2012 was $65.6 million and $70.7 million, respectively. The accumulated benefit obligation for the life and healthcare plan for 2013 and 2012 was $8.4 million and $9.3 million, respectively. The accumulated benefit obligation for the SERP for 2013 and 2012 was $17.3 million and $17.8 million, respectively. The funded status of the DB Pension plan has been recognized in other assets in the Consolidated Statement of Condition at December 31, 2013 in the amount of $5.3 million. The unfunded status of the life and healthcare and SERP plans has been recognized in other liabilities in the Consolidated Statement of Condition at December 31, 2013, in the amounts of $8.4 million, and $17.3 million, respectively. The unfunded status of the DB Pension, life and healthcare and SERP plans has been recognized in other liabilities in the Consolidated Statement of Condition at December 31, 2012, in the amounts of $14.0 million, $9.3 million, and $17.8 million, respectively.

There was a business combination entry for the SERP during 2013. This represents the addition of the VIST Financial SERP liability to the Tompkins SERP.

Net periodic benefit cost and other comprehensive income includes the following components:

(in thousands)	**Pension Plans**			**Life and Healthcare Plan**			**SERP Plan**		
Components of net periodic benefit cost	**2013**	**2012**	**2011**	**2013**	**2012**	**2011**	**2013**	**2012**	**2011**
Service cost	$2,915	$2,720	$2,220	$265	$169	$117	$479	$363	$201
Interest cost	2,688	2,721	2,715	345	363	380	737	716	619
Expected return on plan assets	(4,009)	(3,778)	(3,713)	0	0	0	0	0	0
Amortization of prior service (credit) cost	(123)	(123)	(123)	16	16	16	166	166	101
Recognized net actuarial loss	2,023	1,882	1,324	96	74	13	460	368	130
Amortization of transition liability	0	0	0	50	67	67	0	0	0
Net periodic benefit cost	$3,494	3,422	$2,423	$772	$689	593	$1,842	1,613	$1,051
Other changes in plan assets and benefit obligations recognized in other comprehensive income									
Net actuarial (gain) loss	$(12,890)	3,109	16,417	(1,169)	644	1,091	(2,754)	1,308	3,485
Recognized actuarial loss	(2,023)	(1,882)	(1,324)	(96)	(74)	(13)	(460)	(368)	(130)
Prior service cost	0	0	0	0	0	0	0	0	793
Recognized prior service cost (credit)	123	123	123	(16)	(16)	(16)	(166)	(166)	(101)
Recognized net initial obligation	0	0	0	(50)	(67)	(67)	0	0	0
Recognized in other comprehensive income	$(14,790)	1,350	$15,216	$(1,331)	$487	995	$(3,380)	774	$4,047
Total recognized in net periodic benefit cost and other comprehensive income	$(11,296)	4,772	$17,639	$(559)	$1,176	1,588	$(1,538)	2,387	$5,098

Pre-tax amounts recognized as a component of accumulated other comprehensive income as of year-end that have not been recognized as a component of the Company's combined net periodic benefit cost of the Company's defined-benefit pension plan, post-retirement healthcare benefit plan and SERP are presented in the following table.

(in thousands)	Pension Plans			Life and Healthcare Plan			SERP Plan		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
Net actuarial loss (gain)	$22,269	$37,182	$35,955	$1,183	$2,448	$1,878	$3,789	$7,003	$6,063
Prior service cost (credit)	(347)	(470)	(593)	281	297	312	760	926	1,092
	0	0	0	0	50	117	0	0	0

Unrecognized net initial obligation									
Total	$21,922	36,712	$35,362	$1,464	$2,795	2,307	$4,549	7,929	$7,155

The pre-tax amounts included in accumulated other comprehensive income that are expected to be recognized in net periodic pension cost during the fiscal year ended December 31, 2014 are shown below.

(in thousands)	Pension Plans	Life and Healthcare Plan	SERP Plan
Actuarial loss	$ 806	$ 21	$ 184
Prior service cost	(123)	16	112
Total	$ 683	$ 37	$ 296

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Weighted-average assumptions used in accounting for the plans were as follows:

(in thousands)	**Pension Plans**			**Life and Healthcare Plan**			**SERP Plan**		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
Discount Rates									
Benefit Cost for Plan Year	3.85%	4.39%	5.50%	3.80%	4.30%	5.30%	4.20%	4.60%	5.70%
Benefit Obligation at End of Plan Year	4.76%	3.85%	4.38%	4.70%	3.80%	4.30%	5.00%	4.20%	4.60%
Expected long-term return on plan assets	7.25%	7.50%	7.50%	**N/A**	N/A	N/A	**N/A**	N/A	N/A
Rate of compensation increase									
Benefit Cost for Plan Year	5.00%	5.50%	5.50%	5.00%	5.50%	5.50%	5.00%	5.00%	5.00%
Benefit Obligation at End of Plan Year	5.00%	5.00%	5.50%	5.00%	5.00%	5.50%	5.00%	5.00%	5.00%

Tompkins Trust Company offers post-retirement life and healthcare benefits, although as previously mentioned, has discontinued adding participants to the plan effective January 1, 2005. The weighted average annual assumed rate of increase in the per capita cost of covered benefits (the health care cost trend rate) is 6.75% beginning in 2013, and is assumed to decrease gradually to 5.0% in 2020 and beyond. A 1% increase in the assumed health care cost trend rate, would increase service and interest costs by approximately $20,500 and increase the Company's benefit obligation by approximately $184,000. A 1% decrease in the assumed health care cost trend rate, would decrease service and interest costs by approximately $17,500 and decrease the Company's benefit obligation by approximately $166,000.

To develop the expected long-term rate of return on assets assumption for the Pension Plan, the Company considered the historical returns and the future expectations for returns for each asset class, as well as target asset allocations of the pension portfolio. Based on this analysis, the Company selected 7.25% as the long-term rate of return on asset assumption.

The discount rates used to determine the Company's DB Pension Plan and other post-retirement benefit obligations as of December 31, 2013, and December 31, 2012, were determined by matching estimated benefit cash flows to a yield curve derived from Citigroup's regular bond yield and above-median bond yield curves at December 31, 2013 and December 31, 2012.

Cash Flows

Plan assets are amounts that have been segregated and restricted to provide benefits, and include amounts contributed by the Company and amounts earned from investing contributions, less benefits paid. The Company funds the cost of the SERP and the post-retirement medical and life insurance benefits on a pay-as-you-go basis.

The benefits as of December 31, 2013, expected to be paid in each of the next five fiscal years, and in the aggregate for the five fiscal years thereafter were as follows:

(in thousands)	Pension Plans	Life and Healthcare Plan	SERP Plan
2014	$3,115	$ 483	$455
2015	2,801	505	424
2016	3,055	564	427
2017	3,154	588	690
2018	3,335	538	685
2019-2023	20,534	2,682	3,555
Total	$35,994	$ 5,360	$6,236

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Plan Assets

The Company's DB Pension Plan's weighted-average asset allocations at December 31, 2013 and 2012, respectively, by asset category are as follows:

	2013	2012
Equity securities	65 %	58 %
Debt securities	27 %	33 %
Other	8 %	9 %
Total Allocation	100 %	100 %

It is the policy of the Trustees to invest the Pension Trust Fund (the "Fund") for total return. The Trustees seek the maximum return consistent with the interests of the participants and beneficiaries and prudent investment management. The management of the Fund's assets is in compliance with the guidelines established in the Company's Pension Plan and Trust Investment Policy, which is reviewed and approved annually by the Tompkins Board of Directors, and the Pension Investment Review Committee.

The intention is for the Fund to be prudently diversified. The Fund's investments will be invested among the fixed income, equity and cash equivalent sectors. The pension committee will designate minimum and maximum positions in any of the sectors. In no case shall more than 10% of the Fund assets consist of qualified securities or real estate of the Company. Unless otherwise approved by the Trustees, the following investments are prohibited:

1. Restricted stock, private placements, short positions, calls, puts, or margin transactions;
2. Commodities, oil and gas properties, real estate properties, or
3. Any investment that would constitute a prohibited transaction as described in the Employee Retirement Income Security Act of 1974 ("ERISA"), section 407, 29 U.S.C. 1106.

In general, the investment in debt securities is limited to readily marketable debt securities having a Standard & Poor's rating of "A" or Moody's rating of "A", securities of, or guaranteed by the United States Government or its agencies, or obligations of banks or their holding companies that are rated in the three highest ratings assigned by Fitch Investor Service, Inc. In addition, investments in equity securities must be listed on the NYSE or traded on the national Over The Counter market or listed on the NASDAQ. Cash equivalents generally may be United States Treasury obligations, commercial paper having a Standard & Poor's rating of "A-1" or Moody's National Credit Officer rating of "P-1"or higher.

The major categories of assets in the Company's Pension Plan as of year-end are presented in the following table. Assets are segregated by the level of valuation inputs within the fair value hierarchy established by ASC Topic 820 utilized to measure fair value (see Note 20-Fair Value Measurements).

Fair Value Measurements
December 31, 2013

(in thousands)	Fair Value 2013	(Level 1)	(Level 2)	(Level 3)
Cash and cash equivalents	$5,923	$5,923	$0	$ 0
U.S. Treasury securities	4,748	4,748	0	0
U.S. Government sponsored entities securities	988	0	988	0
Corporate bonds and notes	6,525	0	6,525	0
Common stocks	14,716	14,716	0	0
Mutual funds	37,283	37,283	0	0
Preferred stocks	750	0	750	0
Total Fair Value of Plan Assets	$70,933	$62,670	$8,263	$ 0

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Fair Value Measurements
December 31, 2012

(in thousands)	Fair Value 2012	(Level 1)	(Level 2)	(Level 3)
Cash and cash equivalents	$4,938	$4,938	$0	$ 0
U.S. Treasury securities	2,449	2,449	0	0
U.S. Government sponsored entities securities	1,014	0	1,014	0
Corporate bonds and notes	7,636	0	7,636	0
Common stocks	13,099	13,099	0	0
Mutual funds	26,782	26,782	0	0
Preferred stocks	750	0	750	0
Total Fair Value of Plan Assets	$56,668	$47,268	$9,400	$ 0

The Company determines the fair value for its pension plan assets using an independent pricing service. The pricing service uses a variety of techniques to determine fair value, including market maker bids, quotes and pricing models. Inputs to the model include recent trades, benchmark interest rates, spreads, and actual and projected cash flows. Based on the inputs used by our independent pricing services, the Company identifies the appropriate level within the fair value hierarchy to report these fair values. U.S. Treasury securities, common stocks and mutual funds are considered Level 1 based on quoted prices in active markets.

The Company has an Employee Stock Ownership Plan (ESOP) and a 401(k) Investment and Stock Ownership Plan (ISOP) covering substantially all employees of the Company. The ESOP allows for Company contributions in the form of common stock of the Company. Annually, the Tompkins Board of Directors determines a profit-sharing payout to its employees in accordance with a performance-based formula. A percentage of the approved amount is paid in Company common stock into the ESOP. Contributions are limited to a maximum amount as stipulated in the ESOP. The remaining percentage is either paid out in cash or deferred into the ISOP at the direction of the employee. Compensation expense related to the ESOP and ISOP totaled $3.5 million in 2013, $1.9 million in 2012, and $2.5 million in 2011.

Under the ISOP, employees may contribute a percentage of their eligible compensation with a Company match of such contributions up to a maximum match of 4%. Participation in the 401(k) Plan is contingent upon certain age and service requirements. The Company’s expense associated with these matching provisions was $2.2 million in 2013, $1.7 million in 2012, and $1.4 million in 2011.

Life insurance benefits are provided to certain officers of the Company. In connection with these policies, the Company reflects life insurance assets on its Consolidated Statements of Condition of $69.3 million at December 31, 2013, and $65.1 million at December 31, 2012. The insurance is carried at its cash surrender value on the Consolidated Statements of Condition. Increases in the cash surrender value of the insurance are reflected as noninterest income, net of any related mortality expense.

The Company provides split dollar life insurance benefits to certain employees. The plan is unfunded and the estimated liability of the plan of $1.2 million and $935,000 is recorded in other liabilities in the Consolidated Statements of Condition at December 31, 2013 and 2012, respectively. Compensation expense related to the split dollar life insurance was approximately $42,000 in 2013 and $72,000 in 2012.

Note 14 Stock Plans and Stock Based Compensation

Under the Tompkins Financial Corporation 2009 Equity Plan (”2009 Equity Plan”), the Company may grant incentive stock options, stock appreciation rights, shares of restricted stock and restricted stock units covering up to 902,000 stock, common shares to certain officers, employees, and nonemployee directors. Stock options and stock appreciation rights are granted at an exercise price equal to the stock’s fair value at the date of grant, may not have a term in excess of ten years, and have vesting periods that range between one and seven years from the grant date. Restricted stock awards have vesting periods that range between one and seven years from grant date, and have grant fair values that equal the closing price of the Company’s common stock on grant date. Prior to the adoption of the 2009 Equity Plan, the Company had similar stock option plans, which remain in effect solely with respect to unexercised options issued under these plans.

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The Company granted 110,075 equity awards to its employees in 2013. The awards consisted of 106,325 shares of restricted stock, 62,420 stock appreciation rights, and 3,750 shares of stock. The Company granted 71,420 incentive stock options in third quarter 2012. These options were granted to VIST employees to replace outstanding and vested employee stock options at the time of acquisition. The Company granted 155,725 equity awards to its employees in the third quarter of 2011. The third quarter 2011 awards included 37,725 shares of restricted stock and 118,000 stock appreciations rights.

The following table presents the activity related to stock options and stock appreciation rights and stock appreciation rights under all plans for the twelve months ended December 31, 2013.

	Number of Shares/Rights	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2013	898,868	$ 37.66		
Granted	62,420	$ 40.60		
Exercised	(218,734)	$ 36.74		
Forfeited	(19,730)	$ 39.51		
Outstanding at December 31, 2013	722,824	$ 38.14	4.77	$9,576,274
Exercisable at December 31, 2013	457,532	$ 37.45	3.51	$6,376,769

Total stock-based compensation expense for stock options was $833,000 in 2013, $1.1 million in 2012, and $1.1 million in 2011. As of December 31, 2013, unrecognized compensation cost related to unvested stock options totaled $2.1 million. The cost is expected to be recognized over a weighted average period of 3.9 years. Cash proceeds, tax benefits and intrinsic value related to total stock options exercised is as follows:

(in thousands)	2013	2012	2011
Proceeds from stock option exercises	$4,683	$2,494	$886
Tax benefits related to stock option exercises	331	342	16
Intrinsic value of stock option exercises	1,922	1,368	196

The Company uses the Black-Scholes option-valuation model to determine the fair value of each incentive stock options and stock appreciation rights at the date of grant. The valuation model estimates fair value based on the assumptions listed in the table below. The risk-free rate is the interest rate available on zero-coupon U.S. Treasury instruments with a remaining term equal to the expected term of the share option at the time of grant. The expected dividend yield is based on the dividend trends and the market price of the Company’s stock price at grant. Volatility is largely based on historical volatility of the Company’s stock price. Expected term is based upon historical experience of employee exercises and terminations as the vesting term of the grants. For the options granted in 2012, which were solely options granted to VIST employees to replace options outstanding and vested at acquisition, the expected term considered that the option grants were fully vested and in-the-money. The fair values of the grants are expensed over the vesting periods.

	2013	**2012**	**2011**
Weighted per share average fair value at grant date	$9.50	$15.50	$9.26
Risk-free interest rate	0.78 %	0.26 %	1.28 %
Expected dividend yield	4.00 %	3.80 %	4.10 %
Volatility	38.46%	28.34%	39.19%
Expected life (years)	5.50	2.00	6.50

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Options Outstanding				**Options Exercisable**	
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$13.00-20.00	3,859	5.96	$ 16.47	3,859	$ 16.47
$20.01-29.30	19,328	7.02	$ 21.63	19,328	$ 21.63
$29.31-35.70	4,381	3.78	$ 30.96	4,381	$ 30.96
$35.71-36.00	49,723	0.33	$ 35.77	49,723	$ 35.77
$36.01-37.50	279,073	5.27	$ 37.18	159,528	$ 37.25
$37.51-41.00	205,885	4.41	$ 39.33	138,516	$ 38.75
$41.01-50.00	160,575	5.46	$ 41.74	82,197	$ 41.73
	722,824	4.77	$ 38.14	457,532	$ 37.45

The following table presents activity related to restricted stock awards for the twelve months ended December 31, 2013.

	Number of Shares	Weighted Average Exercise Price
Unvested at January 1, 2013	43,053	$ 37.89
Granted	106,325	40.60
Vested	(7,793)	38.21
Forfeited	(2,890)	39.36
Unvested at December 31, 2013	138,695	$ 39.92

The Company granted 106,325 restricted stock awards in 2013 at an average grant date fair value of $40.60. The Company did not grant any restricted stock awards in 2012. In 2011, the Company granted 37,725 restricted stock awards at a grant date fair value of $37.00. The grant date fair values were the closing prices of the Company’s common stock on the grant dates. The Company recognized stock-based compensation related to restricted stock awards of $550,000 in 2013, $246,000 in 2012 and $149,000 in 2011. Unrecognized compensation costs related to restricted stock awards totaled $4.1 million at December 31, 2013 and will be recognized over 5.9 years on a weighted average basis.

Note 15 Other Noninterest Income and Expense

Other income and operating expense totals are presented in the table below. Components of these totals exceeding 1% of the aggregate of total other noninterest income and total other noninterest expenses for any of the years presented below are stated separately.

	Year ended December 31,		
(in thousands)	2013	2012	2011
NONINTEREST INCOME			
Other service charges	$3,802	$3,050	$2,288
Increase in cash surrender value of corporate owned life insurance	2,021	1,715	1,504
Net (loss) gain on sale of loans	(133)	885	496
Other miscellaneous income	4,856	1,884	2,417
Total other noninterest income	$10,546	$7,534	$6,705
NONINTEREST EXPENSES			
Marketing expense	$4,958	$4,064	$3,903
Professional fees	5,651	4,112	2,835
Technology expense	6,056	5,252	4,707
Cardholder expense	3,433	2,361	2,048
Other miscellaneous expenses	20,543	18,546	11,774
Total other noninterest expenses	$40,641	$34,335	$25,267

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Note 16 Income Taxes

The income tax expense (benefit) attributable to income from operations is summarized as follows:

(in thousands)	Current	Deferred	Total
2013			
Federal	$11,826	$7,138	$18,964
State	933	880	1,813
Total	$12,759	$8,018	$20,777
2012			
Federal	$4,044	$6,602	$10,646
State	116	328	444
Total	$4,160	$6,930	$11,090
2011			
Federal	$16,506	$(1,730)	$14,776
State	1,967	(370)	1,597
Total	$18,473	$(2,100)	$16,373

The primary reasons for the differences between income tax expense and the amount computed by applying the statutory federal income tax rate to earnings are as follows:

	2013	2012	2011
Statutory federal income tax rate	35.0%	35.0%	35.0%
State income taxes, net of federal benefit	1.6	0.6	2.0
Tax exempt income	(3.0)	(3.9)	(2.6)
Bank-owned life insurance income	(1.0)	(1.5)	(1.0)
Federal tax credit	(2.3)	(4.8)	(1.3)
All other	(1.3)	0.8	(0.5)
Total	29.0%	26.2%	31.6%

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Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company’s deferred tax assets and liabilities as of December 31 were as follows:

(in thousands)	2013	2012	2011
Deferred tax assets:			
Allowance for loan and lease losses	$10,946	$9,628	$11,066
Interest income on nonperforming loans	1,712	1,749	847
Compensation and benefits	12,448	11,151	9,441
Purchase accounting adjustments	5,746	16,221	0
Intangibles	95	392	0
Liabilities held at fair value	497	706	829
Tax credit carryforward	3,990	3,591	0
Other	2,838	1,590	1,200
Total	$38,272	$45,028	$23,383
Deferred tax liabilities:			
Prepaid pension	$10,154	$8,477	$7,394
Depreciation	2,948	3,151	2,442
Intangibles	0	0	1,999
Other	1,050	1,262	1,060
Total deferred tax liabilities	$14,152	$12,890	$12,895
Net deferred tax asset at year-end	$24,120	$32,138	$10,488
Net deferred tax asset at beginning of year	$32,138	$10,488	$8,388
(Decrease) increase in net deferred tax asset	(8,018)	21,650	2,100
Purchase accounting adjustments, net	0	28,580	0
Deferred tax expense (benefit)	$8,018	$6,930	$(2,100)

This analysis does not include recorded deferred tax assets/(liabilities) of $5.5 million and ($17.6) million as of December 31, 2013 and 2012, respectively, related to net unrealized holdings losses/(gains) in the available-for-sale securities portfolio. In addition, the analysis excludes the recorded deferred tax assets of $11.2 million and $19.0 million, as of December 31, 2013 and 2012, respectively, related to employee benefit plans.

Realization of deferred tax assets is dependent upon the generation of future taxable income or the existence of sufficient taxable income within the carry-back period. A valuation allowance is provided when it is more likely than not that some portion of the deferred tax assets will not be realized. In assessing the need for a valuation allowance, management considers the scheduled reversal of the deferred tax liabilities, the level of historical taxable income, and the projected future taxable income over the periods in which the temporary differences comprising the deferred tax assets will be deductible. Based on its assessment, management determined that no valuation allowance is necessary at December 31, 2013 and 2012.

At December 31, 2013 and December 31, 2012, the Company had no ASC 740-10 unrecognized tax benefits. The Company does not expect the total amount of unrecognized tax benefits to significantly increase within the next twelve months. The Company recognizes interest and penalties on unrecognized tax benefits in income tax expense in its Consolidated Statements of Income.

The Company is subject to U.S. federal income tax and income tax in various state jurisdictions. All tax years ending after December 31, 2009 are open to examination by the taxing authorities.

Note 17 Other Comprehensive Income

The tax effect allocated to each component of other comprehensive income (loss) were as follows:

December 31, 2013 *(in thousands)*	**Before-Tax Amount**	**Tax (Expense) Benefit**	**Net of Tax**
Available-for-sale securities:			
Change in net unrealized loss during the period	$ (57,250)	$ 22,896	$ (34,354)
Reclassification adjustment for net realized gain on sale included in available-for-sale securities	(599)	240	(359)
Net unrealized losses	(57,849)	23,136	(34,713)
Employee benefit plans:			
Net retirement plan gain	16,813	(6,725)	10,088
Amortization of net retirement plan actuarial gain	2,579	(1,032)	1,547
Amortization of net retirement plan prior service cost	59	(24)	35
Amortization of net retirement plan transition liability	50	(20)	30
Employee benefit plans	19,501	(7,801)	11,700
Other comprehensive loss	$ (38,348)	$ 15,335	$ (23,013)

December 31, 2012 *(in thousands)*	**Before-Tax Amount**	**Tax (Expense) Benefit**	**Net of Tax**
Available-for-sale securities:			
Change in net unrealized gain during the period	$ 5,359	$ (2,145)	$ 3,214
Reclassification adjustment for net realized gain on sale included in available-for-sale securities	(324)	130	(194)
Reclassification adjustment for credit impairment on available-for-sale securities	196	(78)	118
Net unrealized gains	5,231	(2,093)	3,138
Employee benefit plans:			
Net retirement plan loss	(5,061)	2,024	(3,037)
Amortization of net retirement plan actuarial gain	2,324	(929)	1,395
Amortization of net retirement plan prior service cost	59	(24)	35
Amortization of net retirement plan transition liability	67	(27)	40
Employee benefit plans	(2,611)	1,044	(1,567)
Other comprehensive income	$ 2,620	$ (1,049)	$ 1,571

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December 31, 2011 *(in thousands)*	**Before-Tax Amount**	**Tax (Expense) Benefit**	**Net of Tax**
Available-for-sale securities:			
Change in net unrealized gain/loss during the period	$ 16,560	$ (6,623)	$ 9,937
Reclassification adjustment for net realized gain on sale included in available-for-sale securities	(396)	158	(238)
Reclassification adjustment for credit impairment on available-for-sale securities	65	(26)	39
Net unrealized gains	16,229	(6,491)	9,738
Employee benefit plans:			
Net retirement plan loss	(20,993)	8,398	(12,595)
Net retirement plan prior service credit	(793)	317	(476)
Amortization of net retirement plan actuarial gain	1,467	(587)	880
Amortization of net retirement plan prior service credit	(6)	2	(4)
Amortization of net retirement plan transition liability	67	(27)	40
Employee benefit plans	(20,258)	8,103	(12,155)
Other comprehensive loss	$ (4,029)	$ 1,612	$ (2,417)

The following table presents the activity in our accumulated other comprehensive income for the periods indicated:

(in thousands)	**Available-for-Sale Securities**	**Employee Benefit Plans**	**Accumulated Other Comprehensive Income (loss)**
Balance at January 1, 2011	$ 13,480	(14,740)	(1,260)
Other comprehensive income (loss)	9,738	(12,155)	(2,417)
Balance at December 31 2011	23,218	(26,895)	(3,677)
Balance at January 1, 2012	23,218	(26,895)	(3,677)
Other comprehensive income (loss)	3,138	(1,567)	1,571
Balance at December 31, 2012	26,356	$ (28,462)	$ (2,106)
Balance at January 1, 2013	26,356	(28,462)	(2,106)
Other comprehensive income (loss)	(34,713)	11,700	(23,013)
Balance at December 31, 2013	$ (8,357)	$ (16,762)	$ (25,119)

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December 31, 2013

Details about Accumulated other Comprehensive Income Components *(in thousands)*	**Amount Reclassified from Accumulated Other Comprehensive Income**[1]		Affected Line Item in the Statement Where Net Income is Presented
Available-for-sale securities:			
Unrealized gains and losses on available-for-sale securities	$599		Net gain on securities transactions
	(240	)	Tax expense
	359		Net of tax
Employee benefit plans:			
Amortization of the following [2]			
Net retirement plan actuarial loss	(2,579	)	
Net retirement plan prior service cost	(59	)	
Net retirement plan transition liability	(50	)	
	(2,688	)	Total before tax
	1,075		Tax benefit
	(1,613	)	Net of tax

December 31, 2012

Details about Accumulated other Comprehensive Income Components *(in thousands)*	**Amount Reclassified from Accumulated Other Comprehensive Income**[1]		Affected Line Item in the Statement Where Net Income is Presented
Available-for-sale securities:			
Unrealized gains and losses on available-for-sale securities	$324		Net gain on securities transactions
	(130	)	Tax expense
	194		Net of tax
Employee benefit plans:			
Amortization of the following [2]			
Net retirement plan actuarial loss	(2,324	)	
Net retirement plan prior service cost	(59	)	
Net retirement plan transition liability	(67	)	
	(2,450	)	Total before tax
	980		Tax benefit
	(1,470	)	Net of tax

[1] *Amounts in parentheses indicate debits in income statement*

[2] *The accumulated other comprehensive income components are included in the computation of net periodic benefit cost (See Note 11 - “Employee Benefit Plan”)*

Note 18 Commitments and Contingent Liabilities

The Company, in the normal course of business, is a party to financial instruments with off-balance-sheet risk to meet the financial needs of its customers. These financial instruments include loan commitments, standby letters of credit, and unused portions of lines of credit. The contract, or notional amount, of these instruments represents the Company's involvement in particular classes of financial instruments. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized on the Consolidated Statements of Condition.

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The Company's maximum potential obligations to extend credit for loan commitments (unfunded loans, unused lines of credit, and standby letters of credit) outstanding on December 31 were as follows:

(in thousands)	2013	**2012**
Loan commitments	$302,262	$223,141
Standby letters of credit	62,582	68,723
Undisbursed portion of lines of credit	395,208	367,221
Total	$760,052	$659,085

Commitments to extend credit (including lines of credit) are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Standby letters of credit are conditional commitments to guarantee the performance of a customer to a third party. The Company extends standby letters of credit to its customers in the normal course of business. The standby letters of credit are generally short-term. As of December 31, 2013, the Company's maximum potential obligation under standby letters of credit was $62.6 million. Management uses the same credit policies in making commitments to extend credit and standby letters of credit as are used for on-balance-sheet lending decisions. Based upon management's evaluation of the counterparty, the Company may require collateral to support commitments to extend credit and standby letters of credit. The credit risk amounts are equal to the contractual amounts, assuming the amounts are fully advanced and collateral or other security is of no value. The Company does not anticipate losses as a result of these transactions. These commitments also have off-balance-sheet interest-rate risk, in that the interest rate at which these commitments were made may not be at market rates on the date the commitments are fulfilled. Since some commitments and standby letters of credit are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash flow requirements.

At December 31, 2013, the Company had rate lock agreements associated with mortgage loans to be sold in the secondary market (certain of which relate to loan applications for which no formal commitment has been made) amounting to approximately $434,000. In order to limit the interest rate risk associated with rate lock agreements, as well as the interest rate risk associated with mortgages held for sale, if any, the Company enters into agreements to sell loans in the secondary market to unrelated investors on a loan-by-loan basis. At December 31, 2013, the Company had approximately $434,000 of commitments to sell mortgages to unrelated investors on a loan-by-loan basis.

In the normal course of business, the Company is involved in various legal proceedings. In the opinion of management, based upon the review with counsel, the proceedings are not expected to have a material effect on the Company's financial condition or results of operations.

Note 19 Earnings Per Share

Calculation of basic earnings per share (Basic EPS) and diluted earnings per share (Diluted EPS) is shown below.

	Year ended December 31,		
(in thousands, except share and per share data)	2013	2012	2011
Basic			
Net income available to common shareholders	$50,856	$31,285	$35,419
Less: dividends and undistributed earnings allocated to unvested restricted stock awards	(418)	(115)	(120)
Net earnings allocated to common shareholders	50,438	31,170	35,299
Weighted average shares outstanding, including participating securities	14,587,187	12,843,618	11,030,578
Less: average participating securities	(109,570)	(46,445)	(28,472)
Weighted average shares outstanding - Basic	14,477,617	12,797,173	11,002,106
Diluted			
Net earnings allocated to common shareholders	50,438	31,170	35,299
Weighted average shares outstanding - Basic	14,477,617	12,797,173	11,002,106
Dilutive effect of common stock options or restricted stock awards	96,302	38,870	33,278
Weighted average shares outstanding - Diluted	14,573,919	12,836,043	11,035,384
Basic EPS	3.48	2.44	3.21
Diluted EPS	3.46	2.43	3.20

There were approximately 229,868, and 651,092, and 734,263 weighted average stock options for the years ended December 31, 2013, 2012, and 2011, respectively, that were not considered in the calculation of diluted earnings per share since the stock options' exercise prices were greater than the average market price during these periods.

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Note 20 Fair Value Measurements

FASB ASC Topic 820, *Fair Value Measurements and Disclosures,* defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. FASB ASC Topic 820 also establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following table summarizes financial assets and financial liabilities measured at fair value on a recurring basis as of December 31, 2013 and 2012 segregated by the level of valuation inputs within the fair value hierarchy used to measure fair value.

Recurring Fair Value Measurements

December 31, 2013

(in thousands)	Fair Value 12/31/2013	(Level 1)	(Level 2)	(Level 3)
Trading securities				
Obligations of U.S. Government sponsored entities	$ 8,275	$ 0	$ 8,275	$ 0
Mortgage-backed securities - residential	2,716	0	2,716	0

Available-for-sale securities				
Obligations of U.S. Government sponsored entities	556,345	0	556,345	0
Obligations of U.S. states and political subdivisions	67,962	0	67,962	0
Mortgage-backed securities - residential				
U.S. Government agencies	146,678	0	146,678	0
U.S. Government sponsored entities	577,472	0	577,472	0
Non-U.S. Government agencies or sponsored entities	311	0	311	0
U.S. corporate debt securities	4,633	0	4,633	0
Equity securities	1,410	0	0	1,410
Borrowings				
Other borrowings	11,292	0	11,292	0

The change in the fair value of the $1.4 million of available-for-sale securities valued using significant unobservable inputs (level 3), between January 1, 2013 and December 31, 2013 was immaterial.

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Recurring Fair Value Measurements

December 31, 2012

(in thousands)	Fair Value 12/31/12	(Level 1)	(Level 2)	(Level 3)
Trading securities				
Obligations of U.S. Government sponsored entities	$11,860	$ 0	$11,860	$0
Mortgage-backed securities - residential	4,590	0	4,590	0
Available-for-sale securities				
U.S. Treasury securities	1,004	0	1,004	0
Obligations of U.S. Government sponsored entities	593,778	0	593,778	0
Obligations of U.S. states and political subdivisions	79,056	0	79,056	0
Mortgage-backed securities - residential				
U.S. Government agencies	167,667	0	167,667	0
U.S. Government sponsored entities	540,355	0	540,355	0
Non-U.S. Government agencies or sponsored entities	4,354	0	4,354	0
U.S. corporate debt securities	5,083	0	5,083	0
Equity securities	2,043	0	985	1,058
Borrowings				
Other borrowings	11,847	0	11,847	0

The change in the fair value of the $1.0 million of available-for-sale securities valued using significant unobservable inputs (level 3), between January 1, 2012 and December 31, 2012 was immaterial.

The Company determines fair value for its trading securities using independently quoted market prices.

The Company determines fair value for its available-for-sale securities using an independent bond pricing service for identical assets or very similar securities. The pricing service uses a variety of techniques to determine fair value, including market maker bids, quotes and pricing models. Inputs to the model include recent trades, benchmark interest rates, spreads, and actual and projected cash flows. The Company reviews the prices supplied by the independent pricing service, as well as their underlying pricing methodologies, for reasonableness and to ensure such prices are aligned with traditional pricing matrices. In general, the Company's investment portfolio consists of traditional investments, nearly all of which are U.S. Treasury obligations, federal agency bullet or mortgage pass-through securities, or general obligation municipal bonds. Pricing for such instruments is fairly generic and is easily obtained. At least annually, the Company will validate prices supplied by the independent pricing service by comparing to prices obtained from a second third-party source. Based on the inputs used by our independent pricing services, the

Company identifies the appropriate level within the fair value hierarchy to report these fair values.

Fair values of borrowings are estimated using Level 2 inputs based upon observable market data. The Company determines fair value for its borrowings using a discounted cash flow technique based upon expected cash flows and current spreads on FHLB advances with the same structure and terms. The Company also receives pricing information from third parties, including the FHLB. The pricing obtained is considered representative of the transfer price if the liabilities were assumed by a third party. The Company's potential credit risk did not have a material impact on the quoted settlement prices used in measuring the fair value of the FHLB borrowings for the twelve months ended December 31, 2013.

Certain assets are measured at fair value on a nonrecurring basis, that is, they are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances. For the Company, these include loans held for sale, collateral dependent impaired loans, other real estate owned, goodwill and other intangible assets. During 2013, certain collateral dependent impaired loans and other real estate owned at December 31, 2013, were adjusted down to fair value. Collateral values are estimated using Level 2 inputs based upon observable market data. Real estate values are generally valued using independent appraisals or other indications of value based on recent comparable sales of similar properties or assumptions generally available in the market.

There were no transfers between Level 2 and Level 3 values during 2013.

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(in thousands)	As of	Fair value measurements at reporting date using: Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs	Gain (losses) from fair value changes Twelve months ended
Assets:	12/31/2013	(Level 1)	(Level 2)	(Level 3)	12/31/2013
Impaired Loans	$ 6,846	$0	$ 6,846	$ 0	$ (247)
Other real estate owned	3,892	0	3,892	0	(84)

(in thousands)	As of	Fair value measurements at reporting date using: Quoted prices in active markets for identical assets	Significant other observable inputs	Significant unobservable inputs	Gain (losses) from fair value changes Twelve months ended
Assets:	12/31/2012	(Level 1)	(Level 2)	(Level 3)	12/31/2012
Impaired Loans	$ 8,918	$0	$ 8,918	$ 0	$ 0
Other real estate owned	4,654	0	4,654	0	(101)

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments at December 31, 2013 and 2012. The carrying amounts shown in the table are included in the Consolidated Statements of Condition under the indicated captions. The fair value estimates, methods and assumptions set forth below for the Company's financial instruments, including those financial instruments carried at cost, are made solely to comply with disclosures required by generally accepted accounting principles in the United States and does not always incorporate the exit-price concept of fair value prescribed by ASC Topic 820-10 and should be read in conjunction with the financial statements and notes included in this Report.

Estimated Fair Value of Financial Instruments

December 31, 2013

(in thousands)	Carrying Amount	Fair Value	(Level 1)	(Level 2)	(Level 3)
Financial Assets:					
Cash and cash equivalents	$82,884	$82,884	$82,884	$0	$0
Securities - held-to-maturity	18,980	19,625	0	19,625	
FHLB and FRB stock	25,041	25,041	0	25,041	0
Accrued interest receivable	16,586	16,586	0	16,586	0
Loans and leases, net[1]	3,166,314	3,201,837	0	6,846	3,194,991
Financial Liabilities:					
Time deposits	$865,702	$870,857	$0	$870,857	$0
Other deposits	3,081,514	3,081,514	0	3,081,514	0
Securities sold under agreements to repurchase	167,724	173,425	0	173,425	0
Other borrowings	320,239	326,193	0	326,193	0
Trust preferred debentures	37,169	41,673	0	41,673	0
Accrued interest payable	2,121	2,121	0	2,121	0

[1] Lease receivables, although excluded from the scope of ASC Topic 825, are included in the estimated fair value amounts at their carrying value.

Estimated Fair Value of Financial Instruments

December 31, 2012

(in thousands)	Carrying Amount	Fair Value	(Level 1)	(Level 2)	(Level 3)
Financial Assets:					
Cash and cash equivalents	$118,930	$118,930	$118,930	$0	$0
Securities - held-to-maturity	24,062	25,163	0	25,163	
FHLB and FRB stock	19,388	19,388	0	19,388	0
Accrued interest receivable	17,516	17,516	0	17,516	0
Loans and leases, net[1]	2,929,967	3,047,833	0	8,918	3,038,915
Financial Liabilities:					
Time deposits	$973,883	$984,435	$0	$984,435	$0
Other deposits	2,976,286	2,976,286	0	2,976,286	0
Securities sold under agreements to repurchase	213,973	222,873	0	222,873	0
Other borrowings	100,001	111,203	0	111,203	0
Trust preferred debentures	43,668	49,421	0	49,421	0
Accrued interest payable	3,067	3,067	0	3,067	0

[1] Lease receivables, although excluded from the scope of ASC Topic 825, are included in the estimated fair value amounts at their carrying value.

The following methods and assumptions were used in estimating fair value disclosures for financial instruments.

Cash and Cash Equivalents: The carrying amounts reported in the Consolidated Statements of Condition for cash, noninterest-bearing deposits, money market funds, and Federal funds sold approximate the fair value of those assets.

Securities: Fair values for U.S. Treasury securities are based on quoted market prices. Fair values for obligations of U.S. government sponsored entities, mortgage-backed securities-residential, obligations of U.S. states and political subdivisions, and U.S. corporate debt securities are based on quoted market prices, where available, as provided by third party pricing vendors. If quoted market prices were not available, fair values are based on quoted market prices of comparable instruments in active markets and/or based upon matrix pricing methodology, which uses comprehensive interest rate tables to determine market price, movement and yield relationships. For miscellaneous equity securities, carrying value is cost. These securities are reviewed periodically to determine if there are any events or changes in circumstances that would adversely affect their value.

FHLB stock: The carrying amount of FHLB stock approximates fair value. If the stock is redeemed, the Company will receive an amount equal to the par value of the stock.

Loans and Leases: The fair values of residential loans are estimated using discounted cash flow analyses, based upon available market benchmarks for rates and prepayment assumptions. The fair values of commercial and consumer loans are estimated using discounted cash flow analyses, based upon interest rates currently offered for loans and leases with similar terms and credit quality. The fair value of loans held for sale are determined based upon contractual prices for loans with similar characteristics.

ACCRUED INTEREST RECEIVABLE AND ACCRUED INTEREST PAYABLE: The carrying amount of these short term instruments approximate fair value.

Deposits: The fair values disclosed for noninterest bearing accounts and accounts with no stated maturities are equal to the amount payable on demand at the reporting date. The fair value of time deposits is based upon discounted cash flow analyses using rates offered for FHLB advances, which is the Company's primary alternative source of funds.

Securities Sold Under Agreements to Repurchase: The carrying amounts of repurchase agreements and other short-term borrowings approximate their fair values. Fair values of long-term borrowings are estimated using a discounted cash flow approach, based on current market rates for similar borrowings. For securities sold under agreements to repurchase where the Company has elected the fair value option, the Company also receives pricing information from third parties, including the FHLB.

Other Borrowings: The fair values of other borrowings are estimated using discounted cash flow analysis, discounted at the Company's current incremental borrowing rate for similar borrowing arrangements. For other borrowings where the Company has elected the fair value option, the Company also receives pricing information from third parties, including the FHLB.

TRUST PREFERRED DEBENTURES: The fair value of the trust preferred debentures has been estimated using a discounted cash flow analysis which uses a discount factor of a market spread over current interest rates for similar instruments.

Note 21 Regulations and Supervision

Capital Requirements:

The Company and its subsidiary banks are subject to various regulatory capital requirements administered by Federal bank regulatory agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material adverse effect on the Company's business, results of operation and financial condition. Under capital adequacy guidelines and the regulatory framework for prompt corrective action (PCA), banks must meet specific guidelines that involve quantitative measures of assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. Capital amounts and classifications of the Company and its subsidiary banks are also subject to qualitative judgments by regulators concerning components, risk weightings, and other factors. Quantitative measures established by regulation to ensure capital adequacy require the maintenance of minimum amounts and ratios (set forth in the table below) of total capital and Tier 1 capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital to average assets (as defined). Management believes that the Company and its subsidiary banks meet all capital adequacy requirements to which they are subject.

As of December 31, 2013, the most recent notifications from Federal bank regulatory agencies categorized the Tompkins Trust Company, The Bank of Castile, Mahopac Bank, and VIST Bank as "well capitalized" under the regulatory framework for PCA. To be categorized as well capitalized, the Company and its subsidiary banks must maintain total risk-based, Tier 1 risk-based, and Tier 1 leverage ratios as set forth in the table below. There are no conditions or events since that notification that management believes have changed the capital category of the Company or its subsidiary banks. Actual capital amounts and ratios of the Company and its subsidiary banks are as follows:

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(dollar amounts in thousands)	Actual Amount/Ratio	Required to be Adequately Capitalized Amount/Ratio	Required to be Well Capitalized Amount/Ratio
December 31, 2013			
Total Capital (to risk-weighted assets)			
The Company (consolidated)	**$441,062/13.4 %**	**>$** 262,966/>8.0 **%**	**>$**328,707/>10.0 **%**
Trust Company	$126,935/13.3 %	>$ 76,653/>8.0 %	>$95,816/>10.0 %
Castile	$87,340/11.4 %	>$ 61,435/>8.0 %	>$76,794/>10.0 %
Mahopac	$97,993/14.6 %	>$ 53,704/>8.0 %	>$67,130/>10.0 %
VIST	$111,175/12.8 %	>$ 69,548/>8.0 %	>$86,936/>10.0 %
Tier I Capital (to risk-weighted assets)			
The Company (consolidated)	**$412,688/12.6 %**	**>$** 131,483/>4.0 **%**	**>$**197,224/>6.0 **%**
Trust Company	$119,508/12.5 %	>$ 38,326/>4.0 %	>$57,490/>6.0 %
Castile	$80,623/10.5 %	>$ 30,718/>4.0 %	>$46,076/>6.0 %
Mahopac	$89,572/13.3 %	>$ 26,852/>4.0 %	>$40,278/>6.0 %
VIST	$107,692/12.4 %	>$ 34,774/>4.0 %	>$52,161/>6.0 %
Tier I Capital (to average assets)			
The Company (consolidated)	**$412,688/8.5 %**	**>$** 145,279/>3.0 **%**	**>$**242,132/>5.0 **%**
Trust Company	$119,508/7.6 %	>$ 47,295/>3.0 %	>$78,824/>5.0 %
Castile	$80,623/7.5 %	>$ 32,159/>3.0 %	>$53,599/>5.0 %
Mahopac	$89,572/9.3 %	>$ 28,970/>3.0 %	>$48,283/>5.0 %
VIST	$107,692/8.6 %	>$ 37,383/>3.0 %	>$62,304/>5.0 %
December 31, 2012			
Total Capital (to risk-weighted assets)			
The Company (consolidated)	**$402,281/12.9 %**	**>$** 249,830/>8.0 **%**	**>$**312,288/>10.0 **%**
Trust Company	$120,612/12.4 %	>$ 77,631/>8.0 %	>$97,039/>10.0 %
Castile	$80,341/11.5 %	>$ 55,818/>8.0 %	>$69,773/>10.0 %
Mahopac	$89,381/14.7 %	>$ 48,625/>8.0 %	>$60,782/>10.0 %
VIST	$97,870/11.8 %	>$ 66,491/>8.0 %	>$83,113/>10.0 %
Tier I Capital (to risk-weighted assets)			
The Company (consolidated)	**$377,249/12.1 %**	**>$** 124,915/>4.0 **%**	**>$**187,373/>6.0 **%**
Trust Company	$113,211/11.7 %	>$ 38,816/>4.0 %	>$58,224/>6.0 %
Castile	$73,559/10.5 %	>$ 27,909/>4.0 %	>$41,864/>6.0 %
Mahopac	$81,749/13.5 %	>$ 24,313/>4.0 %	>$36,469/>6.0 %
VIST	$97,365/11.7 %	>$ 33,245/>4.0 %	>$49,868/>6.0 %
Tier I Capital (to average assets)			
The Company (consolidated)	**$377,249/7.9 %**	**>$** 142,867/>3.0 **%**	**>$**238,111/>5.0 **%**
Trust Company	$113,211/7.2 %	>$ 46,922/>3.0 %	>$78,203/>5.0 %
Castile	$73,559/7.4 %	>$ 30,025/>3.0 %	>$50,042/>5.0 %
Mahopac	$81,749/9.0 %	>$ 27,122/>3.0 %	>$45,203/>5.0 %
VIST	$97,365/7.5 %	>$ 39,101/>3.0 %	>$65,169/>5.0 %

During the first quarter of 2010, Mahopac's primary regulator, the Office of the Comptroller of the Currency ("OCC"), notified the Company that it was requiring Mahopac to maintain certain minimum capital ratios at levels higher than those otherwise required by applicable regulations. Mahopac has exceeded these minimum requirements since the time of the notification and during the first quarter of 2013, the Company was notified by the OCC that it was no longer requiring Mahopac to maintain the higher capital ratios agreed to in 2010.

In July 2013, the FRB approved and published the final Basel III Capital Rules establishing a new comprehensive capital framework for U.S. banking organizations. The rules implement the Basel Committee's December 2010 framework known as "Basel III" for strengthening international capital standards as well as certain provisions of the Dodd-Frank Act. The Basel III Capital Rules substantially revise the risk-based capital requirements applicable to bank holding companies and depository institutions, including Tompkins, compared to the current U.S. risk-based capital rules. The Basel III Capital Rules define the components of capital and address other issues affecting the numerator in banking institutions' regulatory capital ratios. The Basel III Capital Rules also address risk weights and other issues affecting the denominator in banking institutions' regulatory capital ratios and replace the existing risk-weighting approach, which was derived from the Basel I capital accords of the Basel Committee, with a more risk-sensitive approach based, in part, on the standardized approach in the Basel Committee's 2004 "Basel II" capital accords. The Basel III Capital Rules also implement the requirements of Section 939A of the Dodd-Frank Act to remove references to credit ratings from the federal banking agencies' rules. The Basel III Capital Rules are effective for Tompkins on January 1, 2015 (subject to a phase-in period).

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Dividend Restrictions:

Generally, dividends from the banking subsidiaries to the Company are limited to retained net profits for the current year and the two preceding years, unless specific approval is received from the appropriate bank regulatory authority. At December 31, 2013, the retained net profits of the Company's bank subsidiaries available to pay dividends were $34.6 million.

Charter Conversion:

On December 31, 2013, Mahopac National Bank, one of the Company's four banking subsidiaries and the only nationally chartered bank, became a New York State chartered bank. As a result, all four of the Company's banking subsidiaries are now state chartered banks. Accordingly, the New York Department of Financial Services and the Federal Deposit Insurance Corporation are now the primary regulators of Mahopac Bank and Mahopac Bank will no longer be regulated by the OCC.

Note 22 Condensed Parent Company Only Financial Statements

Condensed financial statements for Tompkins (the Parent Company) as of December 31 are presented below.

Condensed Statements of Condition		
(in thousands)	2013	2012
Assets		
Cash	$7,565	$14,135
Available-for-sale securities, at fair value	225	225
Investment in subsidiaries, at equity	486,475	475,359
Other	14,819	13,814
Total Assets	$509,084	$503,533
Liabilities and Shareholders' Equity		
Borrowings	$14,500	$20,000
Trust preferred debentures issued to non-consolidated subsidiary	33,256	39,760
Other liabilities	4,841	3,865
Tompkins Financial Corporation Shareholders' Equity	456,487	439,908
Total Liabilities and Shareholders' Equity	$509,084	$503,533

Condensed Statements of Income

(in thousands)	2013	2012	2011
Dividends from available-for-sale securities	$4	$4	$1
Dividends received from subsidiaries	25,991	39,525	19,025
Other Income	1,627	69	461
Total Operating Income	27,622	39,598	19,487
Interest expense	3,087	2,232	1,790
Other expenses	6,352	21,197	4,820
Total Operating Expenses	9,439	23,429	6,610
Income Before Taxes and Equity in Undistributed Earnings of Subsidiaries	18,183	16,169	12,877
Income tax benefit	3,959	9,396	3,333
Equity in undistributed earnings of subsidiaries	28,714	5,720	19,209
Net Income	$50,856	$31,285	$35,419

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Condensed Statements of Cash Flows

(in thousands)	2013	2012	2011
Operating activities			
Net income	$50,856	$31,285	$35,419
Adjustments to reconcile net income to net cash provided by operating activities			
Equity in undistributed earnings of subsidiaries	(28,800)	(5,720)	(19,209)
Other, net	(1,769)	4,075	582
Net Cash Provided by Operating Activities	20,287	29,640	16,792
Investing activities			
Investments in subsidiaries	0	(30,143)	(137)
Other, net	(3,482)	(25,600)	(613)
Net Cash Used in Investing Activities	(3,482)	(55,743)	(750)
Financing activities			
Borrowings, net	(10,691)	9,231	(8,673)
Common stock	0	37,978	0
Cash dividends	(22,463)	(19,021)	(15,420)
Repurchase of common shares	0	0	(17)
Shares issued for dividend reinvestment plans	4,046	1,936	2,435
Shares issued for employee stock ownership plan	717	1,037	1,053
Net proceeds from exercise of stock options	4,683	2,494	866
Tax benefits of stock options exercised	331	342	16
Net Cash (Used in) Provided by Financing Activities	(23,377)	33,997	(19,740)
Net (decrease) increase in cash	(6,572)	7,894	(3,698)
Cash at beginning of year	14,135	6,241	9,939
Cash at End of Year	$7,563	$14,135	$6,241

A Statement of Changes in Shareholders' Equity has not been presented since it is the same as the Consolidated Statement of Changes in shareholders' Equity previously presented.

Note 23 Segment and Related Information

The Company manages its operations through three reportable business segments in accordance with the standards set forth in FASB ASC 280, "Segment Reporting": (i) banking and financial services ("Banking"), (ii) insurance services ("Tompkins Insurance Agencies, Inc) and (iii) wealth management ("Tompkins Financial Advisors"). The Company's insurance services and wealth management services are managed separately from the Banking segment.

Banking

The bank segment is primarily comprised of its four banking subsidiaries: Tompkins Trust Company; a commercial bank with 14 banking offices operated in Ithaca, NY and surrounding communities, the Bank of Castile; a commercial bank with 16 banking offices conducting operations in the towns situated in and around the areas commonly known as the Letchworth State Park area and the Genesee Valley region of New York State, the Mahopac National Bank; a commercial bank operating 15 full-service banking offices and one limited service office in the counties north of New York City and VIST Bank; a banking organization with 20 banking offices headquartered and operating in Southeastern Pennsylvania.

Banking services consist primarily of attracting deposits from the areas served by the Company’s banking subsidiaries and using those deposits to originate a variety of commercial loans, agricultural loans, consumer loans, real estate loans and leases in those same areas. The Company’s subsidiary banks provide a variety of retail banking services including checking accounts, savings accounts, time deposits, IRA products, residential mortgage loans, personal loans, home equity loans, credit cards, debit cards and safe deposit services delivered through its branch facilities, ATMs, voice response, mobile banking, Internet banking and remote deposit services. The Company’s subsidiary banks also provide a variety of commercial banking services such as lending activities for a variety of business purposes, including real estate financing, construction, equipment financing, accounts receivable financing and commercial leasing. Other commercial services include deposit and cash management services, letters of credit, sweep accounts, credit cards, Internet-based account services, mobile banking and remote deposit services. The banking subsidiaries do not engage in sub-prime lending.

Insurance

The Company provides property and casualty insurance services and employee benefits consulting through Tompkins Insurance Agencies, Inc; a 100% wholly-owned subsidiary of the Company, headquartered in Batavia, New York. Tompkins Insurance is an independent insurance agency, representing many major insurance carriers and provides employee benefit consulting to employers in Western and Central New York and Southeastern Pennsylvania, assisting them with their medical, group life insurance and group disability insurance. Through the recent acquisition of VIST Financial, VIST Insurance was consolidated with and into Tompkins Insurance. Tompkins Insurance offers services to customers of the Company's banking subsidiaries by sharing offices with The Bank of Castile, Tompkins Trust Company and VIST Bank. In addition to these shared offices, Tompkins Insurance has four stand-alone offices in Western New York, two stand-alone offices in Tompkins County, New York and one stand-alone office in Montgomery County, Pennsylvania.

Wealth Management

The Wealth Management segment is organized under the Tompkins Financial Advisors brand name consisting of services and products offered through Tompkins Investment Services ("TIS"), a division of Tompkins Trust Company, and TFA Management, Inc. Tompkins Financial Advisors offers a comprehensive suite of financial services to customers, including trust and estate services, investment management and financial and insurance planning for individuals, corporate executives, small business owners and high net worth individuals. Recently, through the acquisition of VIST Financial Corp., VIST Capital Management, LLC was added into Tompkins Financial Advisors brand; offering a complimentary assortment of full service investment advisory and brokerage services for individual financial planning, investments and corporate and small business pension and retirement planning solutions. Tompkins Financial Advisors has offices in each of the Company's 4 banking subsidiary banks.

The number of reportable segments were increased from two to three segments in the third quarter of 2012. At that time, the Company determined that a change in its reportable business segments was warranted due to the acquisition of VIST Financial effective August 1, 2012. The acquisition included VIST Insurance which approximately doubled annual insurance revenues of Tompkins Insurance when compare to pre-VIST results. Consequently, insurance revenues exceed the quantitative thresholds set forth in ASC 280-10-50-12 for identifying reportable segments. As such, management determined that it was appropriate to report Insurance and Wealth Management as separate business segments. Previously, these two reportable business segments were reported as a single Financial Services segment. The prior year information contained within this report has been restated to reflect the change in the number of reportable business segments from two to three reportable business segments. The sum of the Insurance and Wealth Management segments is equal to the historic Financial Services Segment.

Summarized financial information concerning the Company's reportable segments and the reconciliation to the Company's consolidated results is shown in the following table. Investment in subsidiaries is netted out of the presentations below. The “Intercompany” column identifies the intercompany activities of revenues, expenses and other assets between the banking and financial services segments. The Company accounts for intercompany fees and services at an estimated fair value according to regulatory requirements for the services provided. Intercompany items relate primarily to the use of human resources, information systems, accounting and marketing services provided by any of the banks and the holding company. All other accounting policies are the same as those described in Note 1 “Summary of significant accounting policies” in this report.

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As of and for the year ended December 31, 2013

(in thousands)	Banking	Insurance	Wealth Management	Intercompany	Consolidated
Interest income	$184,914	$8	$ 189	$ (7)	$185,104
Interest expense	23,982	0	0	(7)	23,975
Net interest income	160,932	8	189	0	161,129
Provision for loan and lease losses	6,161	0	0	0	6,161
Noninterest income	27,870	27,660	15,889	(1,521)	69,898
Noninterest expense1	119,926	22,431	12,266	(1,521)	153,102
Income before income tax expense	62,715	5,237	3,812	0	71,764
Income tax expense	17,434	2,057	1,286	0	20,777
Net Income attributable to noncontrolling interests and Tompkins Financial Corporation	45,281	3,180	2,526	0	50,987
Less: Net income attributable to noncontrolling interests	131	0	0	0	131
Net Income attributable to Tompkins Financial Corporation	$45,150	$3,180	$ 2,526	$ 0	$50,856
Depreciation and amortization	$5,360	$210	$ 135	$ 0	$5,706
Assets	4,965,154	31,639	12,730	(6,484)	5,003,039
Goodwill	64,369	19,560	8,211	0	92,140
Other intangibles, net	10,716	4,988	594	0	16,298
Net loans and leases	3,166,314	0	0	0	3,166,314
Deposits	3,953,428	0	0	(6,212)	3,947,216
Total equity	421,631	25,812	10,496	0	457,939

As of and for the year ended December 31, 2012

(in thousands)	Banking	Insurance	Wealth Management	Intercompany & Merger	Consolidated
Interest income	$158,111	$7	$ 256	$ (18)	$158,356
Interest expense	24,220	11	0	(18)	24,213
Net interest income	133,891	(4)	256	0	134,143
Provision for loan and lease losses	8,837	0	0	0	8,837
Noninterest income	22,368	18,909	15,757	(2,226)	54,808
Noninterest expense1	96,686	15,042	12,440	13,440	137,608
Income before income tax expense	50,736	3,863	3,573	(15,666)	42,506
Income tax expense	12,877	1,512	1,190	(4,489)	11,090
Net Income attributable to noncontrolling interests and Tompkins Financial Corporation	37,859	2,351	2,383	(11,177)	31,416
Less: Net income attributable to noncontrolling interests	131	0	0	0	131
Net Income attributable to Tompkins Financial Corporation	$37,728	$2,351	$ 2,383	$ (11,177)	$31,285
Depreciation and amortization	$4,984	$196	$ 145	$ 0	$5,326
Assets	4,799,579	30,772	12,004	(5,158)	4,837,197
Goodwill	64,534	19,560	8,211	0	92,305
Other intangibles, net	12,338	5,638	667	0	18,643

Net loans and leases	2,929,967	0	0	0	2,929,967
Deposits	3,955,022	0	0	(4,853)	3,950,169
Total equity	407,963	24,183	9,214	0	441,360

[1] Merger and acquisition integration related expenses of $15.6 million were deducted from banking segment holding company expenses and reclassified to Intercompany/Merger column to reflect the non-operating costs from VIST Financial acquisition in August 2012 and provide a more accurate representation of segment performance. Income taxes have been adjusted in the banking segment on a weighted average rate.

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As of and for the year ended December 31, 2011

(in thousands)	Banking	Insurance	Wealth Management	Intercompany & Merger	Consolidated
Interest income	$136,827	$11	$ 261	$ (11)	$137,088
Interest expense	25,692	1	0	(11)	25,682
Net interest income	111,135	10	261	0	111,406
Provision for loan and lease losses	8,945	0	0	0	8,945
Noninterest income	21,095	12,714	15,482	(1,277)	48,014
Noninterest expense1	77,480	10,084	12,265	(1,277)	98,552
Income before income tax expense	45,805	2,640	3,478	0	51,923
Income tax expense	14,171	1,032	1,170	0	16,373
Net Income attributable to noncontrolling interests and Tompkins Financial Corporation	31,634	1,608	2,308	0	35,550
Less: Net income attributable to noncontrolling interests	131	0	0	0	131
Net Income attributable to Tompkins Financial Corporation	$31,503	$1,608	$ 2,308	$ 0	$35,419
Depreciation and amortization	$4,453	$179	$ 126	$ 0	$4,758
Assets	3,373,893	17,950	12,006	(3,601)	3,400,248
Goodwill	23,600	12,287	8,011	0	43,898
Other intangibles, net	2,458	1,138	500	0	4,096
Net loans and leases	1,954,256	0	0	0	1,954,256
Deposits	2,663,905	0	0	(3,341)	2,660,564
Total equity	276,311	13,659	9,173	0	299,143

Unaudited Quarterly Financial Data

	2013			
(in thousands)	First	Second	Third	Fourth
Interest and dividend income	$44,457	$45,960	$46,379	$48,308
Interest expense	6,251	6,134	5,906	5,684
Net interest income	38,206	39,826	40,473	42,624
Provision for loan and lease losses	1,038	2,489	2,049	585
Income before income tax	17,038	16,101	19,398	19,227
Net income	11,510	11,007	14,049	14,290
Net income per common share (basic)	0.80	0.76	0.96	0.97
Net income per common share (diluted)	0.79	0.75	0.95	0.96

Unaudited Quarterly Financial Data

	2012			
(in thousands)	First	Second	Third	Fourth
Interest and dividend income	$33,128	$33,541	$42,919	$48,768
Interest expense	5,687	5,431	6,176	6,919
Net interest income	27,441	28,110	36,743	41,849
Provision for loan and lease losses	1,125	1,011	1,042	5,659
Income before income tax	11,606	13,010	4,280	13,610

Net income	7,811	8,826	3,487	11,161
Net income per common share (basic)	0.70	0.72	0.26	0.78
Net income per common share (diluted)	0.70	0.72	0.25	0.77

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company's management, including its Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of December 31, 2013. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that as of the end of the period covered by this Form 10-K, the Company's disclosure controls and procedures were effective.

Management's Annual Report on Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. As of December 31, 2013, management evaluated the effectiveness of the Company's internal control over financial reporting based on the framework for effective internal control over financial reporting established in "Internal Control - Integrated Framework," issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Based on its evaluation under the COSO framework, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2013. The results of management's assessment was reviewed with the Company's Audit Committee of its Board of Directors. The registered public accounting firm that audited the Company's financial statements included in this report has issued an attestation report on the Company's internal controls over financial reporting, which is included in Part II, Item 8 of this Report.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the year ended December 31, 2013, that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated herein by reference to the material under the captions “Proposal 1 – Election of Directors” and “Section 16(a) Beneficial Ownership Reporting Compliance”; the discussion of the Company’s code of ethics under the caption “Corporate Governance Matters”; the discussion of director nominees by stockholders and the Audit/Examining Committee under the caption “Board of Directors Meetings and Committees” all in the Company’s proxy statement relating to its 2014 annual meeting of shareholders (the “Proxy Statement”), which the /Company intends to file with the Securities and Exchange Commission on or about April 1, 2014; and the material captioned “Executive Officers of the Registrant” in Part I of this Report on Form 10-K.

Item 11. Executive Compensation

The information called for by this item is incorporated herein by reference to the material under the captions, “Executive Compensation”, “Compensation Committee Interlocks and Insider Participation” and “Compensation Committee Report” in the Proxy Statement.

The material incorporated herein by reference to the material under the caption “Compensation Committee Report” in the Proxy Statement shall not be deemed incorporated by reference into any filing under the Securities Act Exchange Act to be “soliciting material” or to be “filed” with the Commission or subject to Regulation 14A, or to the liabilities of Section 18 of the Exchange Act, and shall not be deemed to be incorporated by reference into any filing under the Securities Act Exchange Act, except to the extent that the Company specifically requests that the information be treated as soliciting material or specifically incorporates it by reference into such filing.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information regarding stock-based compensation awards outstanding and available for future grant as of December 31, 2013 is presented in the table below.

Equity Compensation Plan Information

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available For Future Issuance Under Equity Compensation Plans (excluding Securities in Column (a), (c)
Equity Compensation Plans Approved by Security Holders	861,519	$ 38.43	265,490
Equity Compensation Plans Not Approved by Security Holders	0	0	0

Information regarding security ownership of management and certain beneficial owners is furnished by incorporation by reference to all information under the caption of “Beneficial Ownership of Common Stock” in the Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information called for by this item is incorporated herein by reference to the material under the captions “Affirmative Determination of Director Independence” and “Transactions with Related Persons” in the Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information called for by this item is incorporated herein by reference to the material under the caption “Independent Registered Public Accounting Firm” in the Proxy Statement.

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PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) The following financial statements and Report of KPMG are included in this Annual Report on Form 10-K:

Report of KPMG LLP, Independent Registered Public Accounting Firm
Consolidated Statements of Condition for the years ended December 31, 2013 and 2012
Consolidated Statements of Income for the years ended December 31, 2013, 2012, and 2011
Consolidated Statement of Comprehensive Income for the years ended December 31, 2013, 2012, and 2011
Consolidated Statements of Cash Flows for the years ended December 31, 2013, 2012, and 2011
Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2013, 2012, and 2011
Notes to Consolidated Financial Statements
Unaudited Quarterly Financial Data

(a)(2) List of Financial Schedules
Not Applicable.

(a)(3) Exhibits

The exhibits listed on the Exhibit Index of this Annual Report on form 10-K have been previously filed, are filed herewith, or are incorporated herein by reference to other filings.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TOMPKINS FINANCIAL CORPORATION

By: Stephen S. Romaine
President and Chief Executive Officer
(Principal Executive Officer)

Date: March 14, 2014

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POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints, jointly and severally, Stephen S. Romaine and Francis M. Fetsko, and each of them, as his or her true and lawful attorneys-in-fact and agents, each with full power of substitution, for him or her, and in his or her name, place and stead, in any and all capacities, to sign any amendments to this Report on Form 10-K, and to file the same, with Exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	*Date*	*Capacity*	*Signature*	*Date*	*Capacity*
/S/ James J. Byrnes James J. Byrnes	3/14/14	Chairman of the Board Director	/S/Carl E. Haynes Carl E. Haynes	3/14/14	Director
/S/ Stephen S. Romaine Stephen S. Romaine	3/14/14	President and Chief Executive Officer Director	/S/Susan A. Henry Susan A. Henry	3/14/14	Director
/S/James W. Fulmer James W. Fulmer	3/14/14	Vice Chairman, Director	/S/Patricia A. Johnson Patricia A. Johnson	3/14/14	Director
/S/Francis M. Fetsko Francis M. Fetsko	3/14/14	Executive Vice President and Chief Financial Officer (Principal Financial Officer) (Principal Accounting Officer)	/S/Frank C. Milewski Frank C. Milewski	3/14/14	Director
			/S/Sandra A. Parker Sandra A. Parker	3/14/14	Director
/S/John E. Alexander John E. Alexander	3/14/14	Director	/S/Thomas R. Rochon Thomas R. Rochon	3/14/14	Director
/S/Paul J. Battaglia Paul J. Battaglia	3/14/14	Director	/S/Michael H. Spain Michael H. Spain	3/14/14	Director
/S/Daniel J. Fessenden Daniel J. Fessenden	3/14/14	Director	/S/William D. Spain, Jr. William D. Spain, Jr.	3/14/14	Director

/S/Reeder D. Gates Reeder D. Gates	3/14/14	Director	/S/Alfred J. Weber Alfred J. Weber	3/14/14	Director
/S/ James R. Hardie James R. Hardie	3/14/14	Director	/S/Craig Yunker Craig Yunker	3/14/14	Director

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(a)(3) Exhibits

Item No.	Description
2.1	Agreement and Plan of Reorganization, dated as of March 14, 1995, among the Bank, the Company and the Interim Bank, incorporated herein by reference to Exhibit 2 to the Company's Registration Statement on From 8-A (No. 0-38625), filed with the Commission on January 22, 1996.
2.2	Agreement and Plan of Reorganization, dated as of July 30, 1999, between the Company and Letchworth, incorporated herein by reference to Annex A to the Company's Registration Statement on Form S-4 (Registration No. 333-90411), filed with the Commission on November 5, 1999.
2.3	Agreement and Plan of Merger, dated January 25, 2012, by and among the Company, TMP Mergeco, Inc. and VIST Financial Corp., incorporated herein by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed with the Commission on January 26, 2012.
2.4	First Amendment to the Agreement and Plan of Merger, dated July 31, 2012, by and among the Company, TMP Mergeco, Inc. and VIST Financial Corp., incorporated herein by reference to Exhibit 10.1 to the Company's Amended Quarterly Report on Form 10-Q/A, filed with the Commission on September 7, 2012.
3.1	Amended and Restated Certificate of Incorporation of the Company, incorporated herein by reference to Exhibit 3(i) to the Company's Form 10-Q, filed with the Commission on August 11, 2008.
3.2	Second Amended and Restated Bylaws of the Company, incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the Commission on January 31, 2011.
4.1	Form of Specimen Common Stock Certificate of the Company, incorporated herein by reference to Exhibit 4 to the Company's Registration Statement on Form 8-A (No. 0-27514), filed with the Commission on December 29, 1995.
4.2	Indenture (Tompkins Capital Trust I), dated as of April 10, 2009, incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the Commission on April 16, 2009.
4.3	Form of Subordinated Debenture (Tompkins Capital Trust I), included as Exhibit A to Exhibit 4.2 and incorporated herein by reference.
4.4	Amended and Restated Trust Agreement (Tompkins Capital Trust I), dated as of April 10, 2009, incorporated herein by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, filed with the Commission on April 16, 2009.
4.5	Form of Convertible Preferred Security Certificate of Tompkins Capital Trust I, included as Exhibit D to Exhibit 4.4 and incorporated herein by reference.
4.6	Preferred Securities Guarantee Agreement, dated as of April 10, 2009, incorporated herein by reference to Exhibit 4.5 to the Company's Current Report on From 8-K, filed with the Commission on April 16, 2009.

4.7	Agreement as to Expenses and Liabilities, dated as of April 10, 2009, incorporated herein by reference to Exhibit 4.6 to the Company's Current Report on Form 8-K, filed with the Commission on April 16, 2009.
10.1*	Supplemental Executive Retirement Agreement between Scott L. Gruber and Tompkins Financial Corporation dated April 30, 2013, filed herewith.
10.2*	Amended and Restated Retainer Plan for Eligible Directors of Tompkins Financial Corporation and Its Wholly-owned Subsidiaries.
10.3*	Form of Director Deferred Compensation Agreement, incorporated herein by reference to Exhibit 10.4 to the Company's Registration Statement on Form 8-A (No. 0-27514), filed with the Commission on December 29, 1995.
10.4*	Deferred Compensation Plan for Senior Officers, incorporated herein by reference to Exhibit 10.5 to the Company's Registration Statement on Form 8-A (No. 0-27514), filed with the Commission on December 29, 1995.
10.5*	Supplemental Executive Retirement Agreement with James J. Byrnes, incorporated herein by reference to Exhibit 10.6 to the Company's Registration Statement on Form 8-A (No. 0-27514), filed with the Commission on December 29, 1995.
10.6*	Severance Agreement with James J. Byrnes, incorporated herein by reference to Exhibit 10.7 to the Company's Registration Statement on Form 8-A (No. 0-27514), filed with the Commission on December 29, 1995.
10.7*	Lease Agreement dated August 20, 1993, between Tompkins County Trust Company and Comex Plaza Associates, relating to leased property at the Rothschild Building, Ithaca, NY, incorporated herein by reference to Exhibit 10.8 to the Company's Form 10-K, filed with the Commission on March 26, 1996.

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10.8*	Employment Agreement, dated September 12, 1989, by and between Registrant and James W. Fulmer, incorporated by reference to the Registrant's Amendment No. 1 to Form S-18 Registration Statement (Reg. No. 33-3114-NY), filed with the Commission on October 31, 1989 and wherein such Exhibit is designated as Exhibit 10(a).
10.9*	2001 Stock Option Plan, incorporated herein by reference to Exhibit 99 to the Company's Registration Statement on Form S-8 (No. 333-75822), filed with the Commission on December 12, 2001.
10.11*	Summary of Compensation Arrangements for Named Executive Officers and Directors, filed herewith.
10.12*	Supplemental Executive Retirement Agreement between James W. Fulmer and Tompkins Trustco, Inc., dated December 28, 2005, incorporated herein by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K, filed with the Commission on March 16, 2006.
10.14*	Supplemental Executive Retirement Agreement between Stephen S. Romaine and Tompkins Trustco, Inc., dated December 28, 2005, incorporated herein by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K, filed with the Commission on March 16, 2006.
10.15*	Supplemental Executive Retirement Agreement between Francis M. Fetsko and Tompkins Trustco, Inc., dated December 28, 2005, incorporated herein by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K, filed with the Commission on March 16, 2006.
10.16*	Supplemental Executive Retirement Agreement between David S. Boyce and Tompkins Trustco, Inc., dated December 28, 2005, incorporated herein by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K, filed with the Commission on March 16, 2006.
10.17*	Supplemental Executive Retirement Agreement between Robert B. Bantle and Tompkins Trustco, Inc., dated December 28, 2005, incorporated herein by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K for the year ended December 31, 2005, filed with the Commission on March 16, 2006.
10.18*	Form of Officer Group Term Life Replacement Plan (the "Plan") among Tompkins Trust Company and the Participants in the Plan, incorporated herein by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K, filed with the Commission on March 16, 2006.
10.20*	Amendment to the Tompkins Trustco, Inc. Supplemental Retirement Agreement with James J. Byrnes, incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on August 9, 2006.
10.21*	Tompkins Trustco, Inc. Officer Group Term Life Replacement Plan, as amended on June 26, 2006, incorporated herein by reference to Exhibit 10.2 to the Company's Quarterly Report Form 10-Q, filed with the Commission on August 9, 2006.
10.22*	2009 Equity Plan, incorporated herein by reference to Exhibit 99 to the Company's Registration Statement on Form S-8 (No. 333-160738), filed with the Commission on July 22, 2009.
10.23*	Supplemental Executive Retirement Agreement between the Company and Gregory J. Hartz, dated May 12, 2011, incorporated herein by reference to Exhibit 10.23 to the Company's Annual Report on Form 10-K, filed with the Commission on March 9, 2012.

10.24*	Employment Agreement, dated as of September 19, 2005 among Leesport Financial Corp., Leesport Bank and Robert D. Davis, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Commission on August 7, 2012.
10.25*	First Amendment to Employment Agreement dated October 10, 2008, by and among Leesport Financial Corp. n/k/a VIST Financial Corp., Leesport Bank n/k/a VIST Bank and Robert D. Davis, incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the Commission on August 7, 2012.
10.26*	Second Amendment to Employment Agreement dated July 24, 2012, by and among VIST Bank, VIST Financial Corp., the Company, and Robert D. Davis, incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed with the Commission on August 7, 2012.
10.27*	Form of Award under 2009 Equity Plan, incorporated herein by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K, filed with the Commission on March 18, 2013.
14	Tompkins Financial Corporation Code of Ethics For Chief Executive Officer and Senior Financial Officers dated April 25, 2006, incorporated herein by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K, filed with the Commission on March 15, 2007.
21	Subsidiaries of Registrant (filed herewith)
23	Consent of Independent Registered Public Accounting Firm (filed herewith)
24	Power of Attorney, included on signature page of this Report on Form 10-K.
31.1	Certification of the Chief Executive Officer as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).

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31.2	Certification of the Chief Financial Officer as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1	Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002(filed herewith).
32.2	Certification of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith).
101*	The following materials from the company's Annual report on Form 10-K for the year ended December 31, 2013, formatted in XBRL (eXtensibel Business reporting Language): (i) Condensed Consolidated Statements of Condition as of December 31, 2013; (ii) Condensed Consolidated Statements of Income as of December 31, 2013; (iii) Condensed consolidated Statements of Comprehensive Income as of December 31, 2013; (iv) Condensed Consolidated Statements of Cash Flows as of December 31, 2013; (v) Condensed Consolidated Statements of Changes in Shareholders' Equity as of December 31, 2013; and (vi) Notes to Unaudited Condensed Consolidated Financial Statements.

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