

**PUBLIC
SUPPLEMENT**

TO THE

APPLICATION

PURSUANT TO
SECTIONS 3(a)(3) AND 3(a)(5) OF THE BANK HOLDING
COMPANY ACT OF 1956, THE BANK MERGER ACT, AND
SECTION 9 OF THE FEDERAL RESERVE ACT OF 1913

SUBMITTED BY

M&T BANK CORPORATION

TO THE

**BOARD OF GOVERNORS OF THE FEDERAL RESERVE
SYSTEM**

RELATING TO THE PROPOSED ACQUISITION OF

**PEOPLE'S UNITED FINANCIAL, INC. AND PEOPLE'S
UNITED BANK, NATIONAL ASSOCIATION**

AND

RELATED TRANSACTIONS

SUBMITTED

August 12, 2021

EXHIBITS LIST

Confidential Exhibits

Confidential Exhibit Q2: Domestic Loans as of December 31, 2020

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RESPONSES OF M&T BANK CORPORATION TO THE FIFTH REQUEST FOR ADDITIONAL INFORMATION

Set forth below are the responses of M&T Bank Corporation (“M&T”) to the questions of the staff of the Board of Governors of the Federal Reserve System (the “Board”), dated August 6, 2021, relating to M&T’s application submitted on March 22, 2021 (the “Application”) pursuant to (i) Sections 3(a)(3) and 3(a)(5) of the Bank Holding Company Act of 1956, as amended, and Sections 225.11 and 225.15 of the Board’s Regulation Y promulgated thereunder; (ii) the Bank Merger Act, 12 U.S.C. § 1828(c) and implementing regulations; and (iii) Section 9 of the Federal Reserve Act of 1913, as amended. Preceding each response, the related question is restated in bold. In addition, M&T is providing certain updated information relating to the Application, as described further below. Capitalized terms not otherwise defined herein have the meanings set forth in the Application.

Legal

1. **On July 26, 2021, M&T issued a press release in which M&T stated that it “will be retaining nearly 80% of People’s United team members overall, including almost all customer facing employees” and announced that “M&T issued Worker Adjustment and Retraining Notification (WARN) in two states, Connecticut and Vermont.” Regarding the terminations of employees of People’s United, please:**
 - a. **Indicate whether M&T has any agreements with People’s United or People’s United Bank related to the termination of positions at People’s United or People’s United Bank; and**

M&T does not have any agreements with People’s United or People’s United Bank related to the termination of positions at People’s United or People’s United Bank.

As discussed further below, People’s United’s involvement in identifying roles for potential retention or termination has principally involved consultation with M&T regarding integration and positions, conversion planning and other transitional assistance, consistent with People’s United’s obligations under Section 6.23 of the Merger Agreement.¹

¹ Section 6.23 of the Merger Agreement provides that, commencing on the date of the Merger Agreement and upon the reasonable request of M&T, People’s United shall “cooperate with [M&T] . . . to facilitate the integration of the parties and their respective businesses effective as of the Closing Date or such later date as may be determined by [M&T]. Without limiting the generality of the foregoing, from the date hereof through the Closing Date, and consistent with the performance of their day-to-day operations and the continuous operation of [People’s United] and its Subsidiaries in the ordinary course of business, and subject to any requirements under applicable law, [People’s United] shall use commercially reasonable efforts to cause the employees and officers of [People’s United] and its Subsidiaries to provide [M&T] assistance, upon the reasonable request of [M&T], with respect to conversion planning and customer communications and notices (including joint communications and notices relating to anticipated account changes or systems conversion) provided, however, that neither [People’s United] nor any [People’s United] Subsidiary shall be required to terminate any third-party service provider arrangements prior to the Closing.”

b. Describe M&T's involvement in the identification of the positions to be terminated and decisions concerning the timing for termination.

As an initial matter, we note that the employment termination decisions that were referenced in the July 26, 2021, press release relate only to terminations that will occur *if* the Transaction is consummated, and such terminations would occur only *on or after* the expected date of consummation of the Transaction. As reflected in the press release and the notifications referenced in the press release, these are not terminations of People's United employees as and while they are employees of People's United (*i.e.*, they are not terminations that would occur prior to closing of the Transaction) because they are contingent on regulatory approvals and consummation of the Transaction.

As is customary for a transaction of this nature, M&T has been focused on its post-consummation employee workforce from the diligence stage of the transaction process and established early on a framework and process for evaluating its workforce needs as a result of the Merger. Since the Merger Agreement was signed, M&T, through additional analysis and consultation with People's United management, identified the positions that would be retained and those that would be eliminated on consummation of the Transaction. The notifications regarding employee terminations that were referenced in the press release are the results of that process.

From the beginning, M&T has been committed to making these determinations as early as possible in the process in order to provide employees of People's United and People's United Bank with timely information regarding the expected status of their positions on consummation. M&T has followed this approach both in the People's United transaction and in prior transactions because M&T believes the approach is the fairest and most transparent for employees. Providing this information to employees is important for planning purposes for those employees whose positions are expected to be eliminated and those employees whose positions will be retained, which provides certainty and supports employee retention. Furthermore, certainty regarding retention of positions can be important when recruiting new employees in between signing and closing of a transaction. In addition, there are requirements under the federal Worker Adjustment and Retraining Notification (WARN) Act and state law equivalents to provide notifications in advance of terminations to specified officials and affected employees in certain circumstances.² M&T has complied with the timing and notification obligations under applicable federal and state law, and M&T's review of the requirements under federal and state law factored in to its decisions concerning the timing for terminations. Even though the terminations that were the subject of the WARN notices would not all happen immediately on consummation of the Transaction, for the reasons noted above, M&T believes it is more beneficial to provide employees notice early and at one time rather than on a rolling basis.

² Under the federal WARN Act, employers in certain circumstances must provide 60 calendar days' notice of a "plant closing" or "mass layoff" to each affected employee, the State dislocated worker unit within which the plant closing or mass layoff will occur and the chief elected official of the unit of local government within which such closing or layoff is to occur. 29 U.S.C. § 2102; 20 CFR §§ 639.2, 639.5. In addition, M&T is compliant with the applicable related state law obligations. *See* 21 V.S.A. § 413; Conn. Gen. Stat. Ann. §31-51o.

Although M&T consulted with management of People's United throughout the process, the ultimate decisions regarding employee retention post-consummation are M&T's decisions because they relate solely to M&T's post-consummation employee workforce.

Financial Stability

- 2. Please provide the following dollar amounts of domestic loans as of December 31, 2020:**
 - a. M&T's total amount of commercial and industrial (C&I) loans to borrowers located in each metropolitan statistical area (MSA) of the United States.**
 - b. M&T's total amount of commercial real estate (CRE) loans to borrowers located in each MSA of the United States.**
 - c. M&T's total amount of residential real estate (RRE) loans to borrowers located in each MSA of the United States.**
 - d. M&T's total amount of consumer loans to borrowers located in each MSA of the United States.**
 - e. People's United's total amount of C&I loans to borrowers located in each MSA of the United States.**
 - f. People's United's total amount of CRE loans to borrowers located in each MSA of the United States.**
 - g. People's United's total amount of RRE loans to borrowers located in each MSA of the United States.**
 - h. People's United's total amount of consumer loans to borrowers located in each MSA of the United States.**

Please refer to Confidential Exhibit Q2 for the information in response to this question. People's United's domestic loan amounts as of December 31, 2020 in response to (e), (f), (g) and (h) will be provided separately as soon as it is available.