

TOMPKINS FINANCIAL CORP  
Form S-4  
April 19, 2012

Use these links to rapidly review the document

[TABLE OF CONTENTS1](#)

[TABLE OF CONTENTS2](#)

[Table of Contents](#)

As filed with the Securities and Exchange Commission on April 19, 2012

File No. 333-

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

---

**Form S-4**

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

---

**Tompkins Financial Corporation**

(Exact Name of Registrant as Specified in Its Charter)

**New York**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**6022**  
(Primary Standard Industrial  
Classification Code Number)  
**The Commons, P.O. Box 460, Ithaca, NY 14851**  
**(607) 273-3210**

**16-1482357**  
(IRS Employer  
Identification Number)

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

**Stephen S. Romaine, President and Chief Executive Officer**  
**The Commons, P.O. Box 460, Ithaca, NY 14851**  
**(607) 273-3210**

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

**Copies to:**

**Thomas E. Willett, Esq.**  
**Harris Beach PLLC**  
**99 Garnsey Road**  
**Pittsford, NY 14534**  
**Telephone: (585) 419-8800**

**David W. Swartz**  
**Stevens & Lee, P.C.**  
**111 North Sixth Street**  
**P.O. Box 679**  
**Reading, PA 19603-0679**  
**Telephone: (610) 478-2000**

# Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

## Approximate Date of Commencement of Proposed Sale of Securities to the Public:

**As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed document.**

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer                     
  Accelerated Filer                     
  Non-Accelerated Filer                     
  Smaller Reporting Company  
 (Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Share of Common Stock	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock	2,627,904 shares	N/A	\$89,689,009	\$10,279

(1) The maximum number of shares of Tompkins Financial Corporation ("Tompkins") common stock estimated to be issuable upon the completion of the merger described herein between a wholly owned subsidiary of Tompkins and VIST Financial Corp. ("VIST"). This number is based on (a) the number of shares of VIST common stock outstanding and reserved for issuance as of April 11, 2012, and (b) a share exchange ratio of 0.3475 shares of Tompkins common stock, solely for purposes of calculating the registration fee, issuable in exchange for each of those shares of VIST common stock in accordance with the Agreement and Plan of Merger, dated January 25, 2012, by and among Tompkins, TMP Mergeco. Inc., and VIST.

(2) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933, as amended (the "Securities Act") and computed pursuant to Rules 457(f)(1) and 457(c) of the Securities Act. The proposed maximum aggregate offering price of the registrant's common stock was calculated based upon the market value of shares of VIST common stock (the securities to be cancelled in the merger) in accordance with Rule 457(c) under the Securities Act as follows: (A) the product of (1) \$11.86, the average of the high and low prices per share of the common stock of VIST as reported on The Nasdaq Global Market on April 11, 2012 and (2) 7,562,311, the estimated maximum number of shares of VIST common stock outstanding and reserved for issuance as of April 11, 2012, including shares issuable upon the exercise of outstanding stock options.

(3) Calculated pursuant to Rule 457(f) and Section 6(b) of the Securities Act and Securities and Exchange Commission Fee Rate Advisory #5 for Fiscal Year 2012 at a rate equal to \$114.60 per \$1,000,000 of the proposed maximum aggregate offering price.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**



Table of Contents

**The information in this joint proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED APRIL 19, 2012**

**PROXY STATEMENT/PROSPECTUS  
OF  
TOMPKINS FINANCIAL CORPORATION**

**PROXY STATEMENT  
OF  
VIST FINANCIAL CORP.**

**2012 ANNUAL MEETING OF SHAREHOLDERS**

**SPECIAL MEETING OF SHAREHOLDERS**

**PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT**

Tompkins Financial Corporation, which we refer to as "Tompkins," and VIST Financial Corp., which we refer to as "VIST," have entered into a merger agreement that provides for the combination of the two companies. Under the merger agreement, VIST will merge with and into a wholly owned subsidiary of Tompkins, with Tompkins' subsidiary remaining as the surviving entity, and the separate corporate existence of VIST will cease. Before we complete the merger, the shareholders of VIST must approve and adopt the merger agreement. VIST shareholders will vote to approve and adopt the merger agreement and the other transactions and matters described below at a special meeting of shareholders to be held on \_\_\_\_\_, 2012. Tompkins shareholders must approve the issuance of shares of Tompkins common stock to the shareholders of VIST in the merger. Tompkins shareholders will vote to approve the issuance of the shares of Tompkins common stock to the shareholders of VIST in the merger and the other transactions and matters described below at an annual meeting of shareholders to be held on \_\_\_\_\_, 2012.

If the merger is completed, VIST shareholders will receive 0.3127 shares of Tompkins common stock in exchange for each share of VIST common stock they own immediately prior to completion of the merger, which we refer to as the "Exchange Ratio." The Exchange Ratio is subject to adjustment based on the average of the closing price of Tompkins common stock for the 20 consecutive business days ending three days prior to the date of the VIST special meeting of shareholders, which is to be held on \_\_\_\_\_, 2012. If this average closing price is greater than \$43.98, the Exchange Ratio will be adjusted and fixed at 0.2842 shares of Tompkins common stock for each VIST share of common stock, and if this average closing price is less than \$35.98, the Exchange Ratio will be adjusted and fixed at 0.3475 shares of Tompkins common stock for each VIST share of common stock. The aggregate number of shares of Tompkins common stock to be issued in the merger and the other transactions described below is approximately \_\_\_\_\_ million, assuming that the Exchange Ratio is 0.3127. The exact total number of shares of Tompkins common stock to be issued in the merger will depend on the total number of shares of VIST common stock outstanding immediately prior to the effective time of the merger.

The common stock of Tompkins trades on the NYSE-Amex under the symbol "TMP." The common stock of VIST trades on the NASDAQ Global Market system under the symbol "VIST." On \_\_\_\_\_, 2012, the most recent practicable trading day prior to the printing of this joint proxy statement/prospectus, the closing price of Tompkins common stock was \$ \_\_\_\_\_ per share and the closing price of VIST common stock was \$ \_\_\_\_\_ per share. The market price of both Tompkins common stock and VIST common stock will fluctuate before the completion of merger, therefore, you are urged to obtain current market quotations for both Tompkins common stock and VIST common stock.

The VIST board of directors has determined that the combination of VIST and Tompkins is advisable and in the best interests of VIST based upon its analysis, investigation and deliberation, and the VIST board of directors unanimously recommends that the VIST shareholders vote "FOR" the approval and adoption of the merger agreement and "FOR" the approval of the other proposals described in this joint proxy statement/prospectus.

The Tompkins board of directors has determined that the combination of Tompkins and VIST is in the best interests of Tompkins shareholders based upon its analysis, investigation and deliberation, and the Tompkins board of directors unanimously recommends that the Tompkins shareholders vote "FOR" the issuance of the shares of Tompkins common stock to the shareholders of VIST in connection with the merger and "FOR" the approval of the other proposals described in this joint proxy statement/prospectus.

## Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

You should read this entire joint proxy statement/prospectus, including the annexes hereto and the documents incorporated by reference herein, carefully because it contains important information about the merger and the related transactions. **In particular, you should read carefully the information under the section entitled "Risk Factors" beginning on page 20.**

**The shares of Tompkins common stock to be issued to VIST shareholders in the merger are not deposits or savings accounts or other obligations of any bank or savings association, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Merger described in this joint proxy statement/prospectus or the Tompkins common stock to be issued in the merger, or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

---

Table of Contents

**ADDITIONAL INFORMATION**

**This joint proxy statement/prospectus incorporates business and financial information about Tompkins and VIST that is not included in or delivered with this document. This information is available from Tompkins or VIST without charge by first class mail or equally prompt means within one business day of receipt of your request, excluding exhibits unless the exhibit has been specifically incorporated by reference into the information that this document incorporates. To obtain timely delivery, you must request the information no later than five business days before you must make your investment decision. In the case of Tompkins shareholders, this means that you must make your request no later than [ ], 2012, and in the case of VIST shareholders, this means that you must make your request no later than [ ], 2012. If you want to receive a copy of any document incorporated by reference, please request it in writing or by telephone from the appropriate company at the following address:**

**Tompkins Financial Corporation**

**The Commons**

**P.O. Box 460**

**Ithaca, NY 14851**

**Attention: Ms. Linda M. Carlton, Assistant Vice**

**President and Corporate Secretary**

**Telephone: (607) 273-3210**

**VIST Financial Corp.**

**P.O. Box 6219**

**1240 Broadcasting Road**

**Wyomissing, PA 19610**

**Attention: Ms. Donna O. Kowalski, Assistant**

**Corporate Secretary**

**Telephone: (610) 603-7211**

Shareholders may also consult Tompkins' or VIST's websites for more information concerning the merger described in this joint proxy statement/prospectus and each of the parties thereto. Tompkins' website is [www.tompkinsfinancial.com](http://www.tompkinsfinancial.com) and VIST's website is [www.vistfc.com](http://www.vistfc.com). Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

This joint proxy statement/prospectus is dated \_\_\_\_\_, 2012 and is first being mailed to the shareholders of VIST and the shareholders of Tompkins on or about \_\_\_\_\_, 2012.

---

Table of Contents

, 2012

**NOTICE OF 2012 ANNUAL MEETING OF SHAREHOLDERS  
TO THE SHAREHOLDERS OF TOMPKINS FINANCIAL CORPORATION**

The Annual Meeting of Shareholders of Tompkins Financial Corporation, or "Tompkins," will be held on [Day of Week], , 2012 at 5:30 p.m., at the Country Club of Ithaca, 189 Pleasant Grove Road, Ithaca, New York, for the following purposes:

1. To approve the issuance of shares of Tompkins common stock in the merger of VIST Financial Corp. with and into TMP Mergeco. Inc., a wholly owned subsidiary of Tompkins, whereby the operating subsidiaries of VIST Financial Corp. will become wholly-owned subsidiaries of Tompkins;
2. To elect sixteen (16) Directors for a term of one year expiring in the year 2013;
3. To ratify the appointment of the independent registered public accounting firm, KPMG LLP, as Tompkins' independent auditor for the fiscal year ending December 31, 2012;
4. To approve the adjournment of the Tompkins annual meeting, if necessary, to solicit additional proxies; and,
5. To transact such other business as may properly come before the annual meeting or any adjournment thereof.

The board of directors has fixed the close of business on , 2012 as the record date for determining shareholders entitled to notice of and to vote at the annual meeting. Only shareholders of record at the close of business on that date are entitled to vote at the annual meeting. A shareholder's information meeting for our shareholders in western New York will be held at 5:30 p.m. on [Day of Week], , 2012, at Terry Hills Restaurant, 5122 Clinton Street Road (Rt. 33), Batavia, New York. A shareholder's information meeting for our shareholders in the Hudson Valley will be held at 6:00 p.m. on [Day of Week], , 2012, at Travelers Rest, Route 100, Ossining, New York.

Please refer to the attached joint proxy statement/prospectus with respect to the business to be transacted at the annual meeting of Tompkins shareholders. Information relating to the activities and operations of Tompkins during the fiscal year ended December 31, 2011 is also contained in the joint proxy statement/prospectus.

**The Tompkins board of directors unanimously recommends that you vote "FOR" all of the Tompkins proposals.** Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the annual meeting, you are urged to read and carefully consider the enclosed joint proxy statement/prospectus. You may vote by telephone, via the Internet, or mark, sign, date, and return the enclosed form of proxy in the accompanying pre-addressed postage-paid envelope. Your proxy may be revoked prior to its exercise by filing a written notice of revocation or a duly executed proxy bearing a later date with the Corporate Secretary of Tompkins Financial prior to the annual meeting, or by attending the annual meeting and filing a written notice of revocation with the Corporate Secretary at the annual meeting prior to the vote and voting in person.

By Order of the Board of Directors,

/s/ JAMES J. BYRNES

/s/ LINDA M. CARLTON

James J. Byrnes  
*Chairman*

Linda M. Carlton  
*Asst. Vice President & Corporate Secretary*

TOMPKINS FINANCIAL CORPORATION, THE COMMONS, P.O. BOX 460, ITHACA, NEW YORK 14851 (607) 273-3210

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS**

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

**FOR THE STOCKHOLDER MEETING TO BE HELD , 2012**

This joint proxy statement/prospectus and Tompkins' annual report to security holders are available under the "SEC Filings" tab at [www.tompkinsfinancial.com](http://www.tompkinsfinancial.com).

---



Table of Contents

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD , 2012**

TO THE SHAREHOLDERS OF VIST FINANCIAL CORP.:

**NOTICE IS HEREBY GIVEN** that the Special meeting of Shareholders of VIST Financial Corp. will be held at :00 .M. (Eastern Time) on , , 2012, at the [Location], to consider and vote on the following proposals:

1. Approval and adoption of the Agreement and Plan of Merger, dated January 25, 2012, by and among Tompkins, Merger Sub, and VIST, which provides for, among other things, the merger of VIST with and into Merger Sub;
2. Approval, in an advisory (non-binding) vote, of the compensation payable to VIST's named executive officers in connection with the merger;
3. Approval of a proposal to authorize the board of directors to adjourn the special meeting, if necessary, to solicit additional proxies, in the event there are not sufficient votes to approve any of the other proposals; and
4. Transaction of such other business as may properly be presented at the meeting or any adjournment or postponement of the meeting.

All of these items, including the proposal to adopt the merger agreement, are described in more detail in the accompanying joint proxy statement/prospectus and its appendices. You should read these documents in their entirety before voting. We have fixed , 2012 as the record date for determining those VIST shareholders entitled to vote at the special meeting. Accordingly, only shareholders of record at the close of business on that date are entitled to notice of and to vote at the special meeting or any adjournment or postponement of the meeting. A list of such shareholders will be available for inspection at the special meeting and for ten days prior to the meeting at VIST's headquarters located at 1240 Broadcasting Road, Wyomissing, PA 19610, during normal business hours.

**Your board of directors has unanimously determined that the proposed merger is advisable and in the best interests of VIST and its shareholders and unanimously recommends that you vote "FOR" the proposal to approve and adopt the merger agreement. Your board of directors also recommends that you vote "FOR" proposals 2 and 3 listed above.**

**We urge you to vote as soon as possible so that your shares will be represented. Please do not send in any VIST stock certificates until you receive written instructions to do so.**

BY ORDER OF THE BOARD OF DIRECTORS,

, 2012

*Your vote is important. Whether or not you plan to attend the special meeting, please complete, sign, date and return your proxy card or voting instruction card in the enclosed envelope promptly. For many shareholders, you may also vote your shares by calling the toll-free telephone number or by using the Internet as described in the instructions included with your proxy card or voting instruction card. If you later decide to attend the meeting, you can, if you wish, revoke the proxy and vote in person.*

The Notice of Special Meeting and Joint Proxy Statement/Prospectus and the Proxy Card are available at <http://www.vistfc.com>.

Table of Contents

TABLE OF CONTENTS

<b><u>QUESTIONS AND ANSWERS</u></b>	<u>1</u>
<b><u>SUMMARY</u></b>	<u>12</u>
<b><u>RISK FACTORS</u></b>	<u>20</u>
<b><u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION</u></b>	<u>26</u>
<b><u>SELECTED CONSOLIDATED FINANCIAL DATA OF TOMPKINS</u></b>	<u>27</u>
<b><u>SELECTED CONSOLIDATED FINANCIAL DATA OF VIST</u></b>	<u>28</u>
<b><u>UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION</u></b>	<u>29</u>
<b><u>COMPARATIVE PER SHARE DATA (UNAUDITED)</u></b>	<u>37</u>
<b><u>MARKET PRICES, DIVIDENDS AND OTHER DISTRIBUTIONS</u></b>	<u>38</u>
<b><u>THE MERGER</u></b>	<u>40</u>
<b><u>Background and Negotiation of the Merger</u></b>	<u>40</u>
<b><u>Tompkins' Reasons for the Merger</u></b>	<u>44</u>
<b><u>Recommendation of Tompkins' Board of Directors</u></b>	<u>45</u>
<b><u>VIST's Reasons for the Merger</u></b>	<u>45</u>
<b><u>Recommendation of VIST's Board of Directors</u></b>	<u>48</u>
<b><u>Opinion of VIST's Financial Advisor</u></b>	<u>48</u>
<b><u>Merger Consideration</u></b>	<u>56</u>
<b><u>Material Federal Income Tax Consequences</u></b>	<u>57</u>
<b><u>Employee Benefit Plans</u></b>	<u>58</u>
<b><u>Fractional Shares</u></b>	<u>66</u>
<b><u>Effective Time</u></b>	<u>66</u>
<b><u>Conditions to the Completion of the Merger</u></b>	<u>66</u>
<b><u>Representations and Warranties</u></b>	<u>68</u>
<b><u>Conduct of Business Pending the Merger</u></b>	<u>69</u>
<b><u>Additional Agreements</u></b>	<u>72</u>
<b><u>No Solicitation by VIST</u></b>	<u>72</u>
<b><u>Termination of the Merger Agreement</u></b>	<u>74</u>
<b><u>Extension, Waiver and Amendment of the Merger Agreement</u></b>	<u>76</u>
<b><u>Regulatory Approvals Required for the Merger</u></b>	<u>76</u>
<b><u>NYSE-Amex Listing</u></b>	<u>77</u>
<b><u>Alternative Structure</u></b>	<u>77</u>
<b><u>Dissenters' Rights</u></b>	<u>78</u>
<b><u>Accounting Treatment</u></b>	<u>78</u>
<b><u>Litigation Related to the Merger</u></b>	<u>78</u>
<b><u>INDEMNIFICATION OF TOMPKINS DIRECTORS, OFFICERS AND EMPLOYEES</u></b>	<u>79</u>
<b><u>COMPARISON OF RIGHTS OF SHAREHOLDERS</u></b>	<u>80</u>
<b><u>ADDITIONAL INFORMATION ABOUT VIST</u></b>	<u>86</u>
<b><u>VIST SPECIAL MEETING OF SHAREHOLDERS</u></b>	<u>228</u>
<b><u>VIST SPECIAL MEETING PROPOSAL NO. 1</u></b>	<u>228</u>
<b><u>APPROVAL AND ADOPTION OF THE MERGER AGREEMENT</u></b>	<u>231</u>



Table of Contents

<b><u>VIST SPECIAL MEETING PROPOSAL NO. 2</u></b>	
<b><u>ADVISORY (NON-BINDING) VOTE ON CERTAIN MERGER-RELATED COMPENSATION FOR VIST NAMED EXECUTIVE OFFICERS</u></b>	<u>232</u>
<b><u>VIST SPECIAL MEETING PROPOSAL NO. 3</u></b>	
<b><u>AUTHORIZATION TO VOTE ON ADJOURNMENT OF THE VIST SPECIAL MEETING</u></b>	<u>235</u>
<b><u>TOMPKINS ANNUAL MEETING OF SHAREHOLDERS</u></b>	<u>236</u>
<b><u>TOMPKINS ANNUAL MEETING PROPOSAL NO. 1</u></b>	
<b><u>ISSUANCE OF COMMON STOCK IN THE MERGER</u></b>	<u>238</u>
<b><u>TOMPKINS ANNUAL MEETING PROPOSAL NO. 2</u></b>	
<b><u>ELECTION OF TOMPKINS DIRECTORS</u></b>	<u>239</u>
<b><u>TOMPKINS ANNUAL MEETING PROPOSAL NO. 3</u></b>	
<b><u>RATIFICATION OF AUDITOR</u></b>	<u>274</u>
<b><u>TOMPKINS ANNUAL MEETING PROPOSAL NO. 4</u></b>	
<b><u>AUTHORIZATION TO ADJOURN OF THE TOMPKINS ANNUAL MEETING</u></b>	<u>275</u>
<b><u>LEGAL MATTERS</u></b>	<u>281</u>
<b><u>EXPERTS</u></b>	<u>281</u>
<b><u>WHERE YOU CAN FIND MORE INFORMATION</u></b>	<u>282</u>
<b><u>HOUSEHOLDING OF JOINT PROXY STATEMENT/PROSPECTUS</u></b>	<u>283</u>

**ANNEXES**

Annex A Agreement and Plan of Merger

Annex B Opinion of Stifel, Nicolaus & Company, Incorporated

Table of Contents

**QUESTIONS AND ANSWERS**

*The following questions and answers briefly address some commonly asked questions about the merger (as defined below) and the shareholders meetings. They may not include all the information that is important to the shareholders of VIST and of Tompkins. Shareholders of VIST and of Tompkins should each read carefully this entire joint proxy statement/prospectus, including the annexes and other documents referred to in this document.*

**About the Merger**

**Q:**  
**What is the merger?**

A: Tompkins and VIST have entered into an Agreement and Plan of Merger, dated January 25, 2012, which is referred to as the "merger agreement." A copy of the merger agreement is attached as Annex A to, and is incorporated by reference in, this joint proxy statement/prospectus. The merger agreement contains the terms and conditions of the proposed business combination of Tompkins and VIST. Under the merger agreement, VIST will merge with and into TMP Mergeco, Inc., a wholly owned subsidiary of Tompkins which is referred to as "merger sub," with merger sub remaining as the surviving entity, and the separate corporate existence of VIST will cease. We refer to this transaction as the "merger."

**Q:**  
**Why am I receiving these materials?**

A: Tompkins is sending these materials to its shareholders to help them decide how to vote their shares of Tompkins common stock with respect to the issuance of Tompkins common stock in the merger and the other matters to be considered at the Tompkins annual meeting.

VIST is sending these materials to its shareholders to help them decide how to vote their shares of VIST common stock with respect to the proposed merger and the other matters to be considered at the VIST special meeting.

The merger cannot be completed unless VIST shareholders adopt the merger agreement and approve the merger and Tompkins shareholders approve the issuance of Tompkins common stock in the merger. VIST is holding its special meeting of shareholders to vote on the proposal necessary to complete the merger in addition to the other proposals described in "*VIST Special Meeting of Shareholders*" beginning on page [ ]. Tompkins is holding its 2012 annual meeting of shareholders to vote on the merger in addition to the other proposals described in "*Tompkins Annual Meeting*," beginning on page 141. Information about these meetings, the merger and the other business to be considered at the meetings is contained in this joint proxy statement/prospectus.

This document constitutes both a joint proxy statement of Tompkins and VIST and a prospectus of Tompkins. It is a joint proxy statement because the boards of directors of both companies are soliciting proxies from their respective holders of common stock. It is a prospectus because Tompkins will issue shares of its common stock in exchange for shares of VIST common stock in the merger.

**Q:**  
**Why is Tompkins proposing the merger?**

A: Tompkins' board of directors believes that the merger is in the best interest of Tompkins. In reaching this decision, Tompkins' board, in consultation with Macquarie Capital, its financial advisor, and Harris Beach PLLC, its legal advisor, identified several key strategic and financial reasons for the merger. These key reasons include the potential to diversify and expand Tompkins' market area in a region with favorable demographics, as well as the anticipated operating efficiencies, cost savings and opportunities for revenue enhancements of the combined company.

Table of Contents

For a more detailed discussion of Tompkins' reasons for the merger, see "*The Merger Background and Negotiation of the Merger*" and "*The Merger Tompkins' Reasons for the Merger*," beginning on pages [ ] and [ ], respectively.

**Q:**  
**Why is VIST proposing the merger?**

A: The VIST board of directors, in unanimously determining that the merger is in the best interests of VIST, considered a number of key factors which are described under the headings "*The Merger Background and Negotiation of the Merger*" and "*The Merger VIST's Reasons for the Merger*," beginning on pages and , respectively.

**Q:**  
**What will VIST shareholders receive in the merger, and how will this affect holders of Tompkins common stock?**

A: In the proposed merger, VIST shareholders will receive 0.3127 shares of Tompkins common stock in exchange for each share of VIST common stock they own immediately prior to completion of the merger, which we refer to as the "Exchange Ratio." The Exchange Ratio is subject to adjustment based on the average closing prices of Tompkins common stock for the twenty consecutive business days ending three days prior to the date of the VIST special meeting of shareholders, which is to be held on , 2012. If this average closing price is greater than \$43.98, the Exchange Ratio will be adjusted and fixed at 0.2842 shares of Tompkins common stock for each VIST share of common stock, and if this average closing price is less than \$35.98, the Exchange Ratio will be adjusted and fixed at 0.3475 shares of Tompkins common stock for each VIST share of common stock. As a result, the value of the Tompkins shares that VIST shareholders will receive in the merger will change, and we cannot predict what the value will be at the closing of the merger.

Further, if the Exchange Ratio decreases to 0.2842, this would increase the total number of shares of Tompkins common stock issued to VIST shareholders, which would have a dilutive effect on the relative ownership interest of each Tompkins shareholder in the combined company. Accordingly, at the time of the mailing of this joint proxy statement/prospectus, neither Tompkins nor VIST shareholders will be able to assess whether and to what extent Tompkins common stock issued in the merger will impact their relative holdings in the combined company following the merger.

Fractional shares of Tompkins common stock resulting from the application of the exchange ratio to a VIST shareholder's holdings of VIST common stock will be converted to the right to receive a cash payment for such fractional shares. The cash payment will be equal to an amount, rounded to the nearest cent and without interest, equal to the product of (i) the fraction of a share to which such holder would otherwise have been entitled and (ii) the average of the daily closing price of a share of Tompkins common stock as reported on Amex for the five consecutive trading days immediately preceding the Closing Date.

Tompkins shareholders will continue to own their existing shares of Tompkins common stock after the merger. Because of the number of shares of Tompkins common stock being issued in the merger, the interest in Tompkins represented by the existing shares of Tompkins common stock will be diluted. The existing shares of Tompkins will represent in the aggregate ownership of approximately 81% of the outstanding shares of Tompkins common stock upon the completion of the merger.

**Q:**  
**When do Tompkins and VIST expect to complete the merger?**

A: Tompkins and VIST expect to complete the merger after all conditions to the merger in the merger agreement are satisfied or waived, including after shareholder approvals are received at the respective meetings of Tompkins and VIST. Tompkins and VIST currently expect to complete the

Table of Contents

merger early in the third quarter of 2012. It is possible, however, that factors outside of either company's control could result in Tompkins and VIST completing the merger at a later time or not completing it at all.

**Q:**  
**What are the federal income tax consequences of the merger?**

**A:**  
The merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which is referred to as the Internal Revenue Code, and it is a condition to the completion of the merger that each of Tompkins and VIST receive a written opinion from their respective legal counsel to the effect that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that holders of VIST common stock will not recognize gain or loss for U.S. federal income tax purposes upon the exchange of their VIST common stock for Tompkins common stock pursuant to the merger. For further discussion of the material U.S. federal income tax consequences of the merger, see "*The Merger Material Federal Income Tax Consequences*," beginning on page 56.

***About the Tompkins Annual Meeting***

**Q:**  
**What am I being asked to vote on?**

**A:**  
Tompkins shareholders are being asked to vote on the following proposals:

1. *Issuance of Common Stock in the Merger.* To approve the issuance of Tompkins common stock in the merger contemplated by the merger agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus;
2. *Election of Directors.* To elect sixteen (16) Directors for a term of one year expiring in the year 2013;
3. *Ratification of Auditor Appointment.* To ratify the appointment of the independent registered public accounting firm, KPMG LLP, as Tompkins' independent auditor for the fiscal year ending December 31, 2012;
4. *Adjournment of Meeting.* To approve the adjournment of the Tompkins annual meeting, if necessary, to solicit additional proxies; and,
5. *Other Matters.* To transact such other business as may properly come before the Tompkins annual meeting or any adjournment thereof.

**Q:**  
**How does the board of directors of Tompkins recommend that I vote?**

**A:**  
The Tompkins board of directors recommends that holders of Tompkins common stock vote "**FOR**" all Tompkins proposals described in this joint proxy statement/prospectus.

**Q:**  
**What do I need to do now?**

**A:**  
After carefully reading and considering the information contained in this joint proxy statement/prospectus, please submit your proxy as soon as possible so that your shares will be represented at the meeting. Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker or other nominee.





Table of Contents

**Q: How do I vote?**

A: If you are a shareholder of record of Tompkins as of \_\_\_\_\_, 2012, which is referred to as the Tompkins record date, you may submit a proxy before the Tompkins annual meeting in one of the following ways:

use the toll-free number shown on your proxy card;

visit the website shown on your proxy card to submit a proxy via the Internet; or

complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope.

You may also cast your vote in person at the Tompkins annual meeting, as applicable.

If your shares are held in "street name" through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Holders in "street name" who wish to vote in person at the Tompkins annual meeting will need to obtain a proxy form from the institution that holds their shares.

**Q: When and where is the Tompkins annual meeting of shareholders?**

A: The annual meeting of Tompkins shareholders will be held on [Day of Week], \_\_\_\_\_, 2012 at 5:30 p.m., at the Country Club of Ithaca, 189 Pleasant Grove Road, Ithaca, New York. All shareholders of Tompkins as of the Tompkins record date, or their duly appointed proxies, may attend the Tompkins annual meeting. Since seating is limited, seating at the Tompkins annual meeting will be on a first-come, first-served basis.

**Q: If my shares are held in "street name" by a broker or other nominee, will my broker or nominee vote my shares for me?**

A: Tompkins believes that brokers or other nominees will have discretionary authority to vote only on the ratification of auditors proposal (Proposal 3). Therefore, if you are a Tompkins shareholder and you do not instruct your broker or other nominee on how to vote your shares:

your broker or other nominee may not vote your shares on Proposal 1 (to authorize issuance of Tompkins common stock in connection with the merger), nor on Proposal 2 (the election of directors), nor on Proposal 4 (the adjournment proposal), and these "broker non-votes" will have no effect on the vote on these proposals; and

your broker or other nominee may vote your shares on Proposal 3 (to ratify the selection of KPMG LLP as Tompkins' independent registered public accounting firm for the fiscal year ending December 31, 2012).

This is because, if your shares are held in "street name" in a stock brokerage account or by a bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker. Please note that you may not vote shares held in street name by returning a proxy card directly to Tompkins or by voting in person at the Tompkins annual meeting unless you provide a "legal proxy," which you must obtain from your bank or broker.

Brokers or other nominees who hold shares in street name for a beneficial owner typically have the authority to vote in their discretion on "routine" proposals when they have not received instructions from beneficial owners. However, brokers or other nominees are not allowed to exercise their voting discretion on matters that are determined to be "non-routine" without specific instructions from the beneficial owner. Broker non-votes are shares held by a broker or other nominee that are

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

represented at the applicable meeting but with respect to which the broker or other nominee is not instructed by the beneficial owner of such shares to vote on the particular

Table of Contents

proposal and the broker or other nominee does not have discretionary voting power on such proposal.

**Q: What constitutes a quorum for the Tompkins annual meeting?**

A: The presence, in person or by proxy, of the holders of a majority of the outstanding shares of Tompkins common stock entitled to vote at the annual meeting is necessary to constitute a quorum at the annual meeting and any adjournment thereof. Each share is entitled to one vote on all matters. Abstentions and broker non-votes will be counted as present and entitled to vote for purposes of determining a quorum.

**Q: What vote is required to approve each proposal to be considered at the Tompkins annual meeting?**

A: *To elect Tompkins directors:* Election of the Tompkins directors requires the affirmative vote of a plurality of the votes cast at the Tompkins annual meeting. Accordingly, the sixteen (16) director nominees receiving the highest number of votes will be elected.

*To act on all other matters:* All other proposals on the agenda for the Tompkins annual meeting require the affirmative vote of a majority of the votes cast at the annual meeting. Accordingly, these proposals will be approved if the number of votes cast in favor of the proposal at the annual meeting or any adjournment thereof exceeds the number of votes cast against the proposal.

As of the record date for the Tompkins annual meeting, Tompkins' directors and executive officers collectively had the right to vote approximately [10]% of the Tompkins common stock outstanding and entitled to vote at the Tompkins annual meeting. **Each of the directors and executive officers of Tompkins has indicated to us that he or she intends to vote "FOR" approval and adoption of the merger agreement**, although none of them has entered into any agreements obligating them to do so.

**Q: What if I abstain from voting or do not vote at the Tompkins annual meeting?**

A: For the purposes of the Tompkins annual meeting, an abstention, which occurs when a Tompkins shareholder attends the Tompkins annual meeting, either in person or by proxy, but abstains from voting, will have no effect on the outcome of the proposals to be considered at the Tompkins annual meeting.

**Q: What if I hold stock of both Tompkins and VIST?**

A: If you hold shares of both Tompkins and VIST, you will receive two separate packages of proxy materials. A vote as a VIST shareholder for the merger proposal or any other proposals to be considered at the VIST special meeting will not constitute a vote as a Tompkins shareholder for the share issuance proposal relating to the merger or any other proposals to be considered at Tompkins annual meeting, and vice versa. Therefore, please sign, date and return all proxy cards that you receive, whether from Tompkins or VIST, or submit separate proxies as both a Tompkins shareholder and a VIST shareholder by Internet or telephone.

**Q: May I change my vote or revoke my proxy after I have delivered my proxy or voting instruction card?**

A: Yes. You may change your vote at any time before your proxy is voted at the Tompkins annual meeting. You may do this in one of four ways:

by sending a notice of revocation to the corporate secretary of Tompkins;

Table of Contents

by sending a completed proxy card bearing a later date than your original proxy card;

by logging onto the website specified on your proxy card in the same manner you would to submit your proxy electronically or by calling the telephone number specified on your proxy card, in each case if you are eligible to do so, and following the instructions on the proxy card; or

by attending the Tompkins annual meeting and voting in person; however, your attendance alone will not revoke any proxy.

If you choose any of the first three methods, you must take the described action no later than 11:59 p.m., Eastern time, on the day before the date of the Tompkins annual meeting.

If your shares are held in an account at a broker or other nominee, you should contact your broker or other nominee to change your vote.

**Q: What happens if I sell my Tompkins shares after the Tompkins record date but before the Tompkins annual meeting?**

A: The record date for the Tompkins annual meeting is earlier than both the date of such meeting and the date that the merger is expected to be completed. If you transfer your Tompkins common stock after the Tompkins record date but before the date of the Tompkins annual meeting, you will retain your right to vote at the Tompkins annual meeting (provided that such shares remain outstanding on the date of the Tompkins annual meeting).

**Q: What do I do if I receive more than one joint proxy statement/prospectus or set of voting instructions?**

A: If you hold shares directly as a record holder and also in "street name," or otherwise through a nominee, you may receive more than one joint proxy statement/prospectus and/or set of voting instructions relating to the applicable meeting. These should each be voted or returned separately to ensure that all of your shares are voted.

**Q: Do I have appraisal or dissenters' rights?**

A: No. Under New York law, holders of Tompkins common stock will not be entitled to exercise any dissenters' or appraisal rights in connection with any of the proposals being presented to them.

**Q: Should I send in my Tompkins stock certificates?**

A: No. Please do not send your stock certificates with your proxy card.

Tompkins shareholders will not be required to exchange or take any other action regarding their stock certificates in connection with the merger. Tompkins shareholders holding stock certificates should keep their stock certificates both now and after the merger is completed.

**Q: Whom should I contact if I have additional questions?**

A: If you are a Tompkins shareholder and have any questions about the merger, or if you need additional copies of this document or the enclosed proxy card, you should contact:

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

Tompkins Financial Corporation

The Commons

P.O. Box 460

Ithaca, NY 14851

Attention: Ms. Linda M. Carlton, Assistant Vice President and Corporate Secretary

Telephone: (607) 273-3210

Table of Contents

*About the VIST Special Meeting*

**Q: What are the matters on which I am being asked to vote at the VIST special meeting?**

A: You are being asked to consider and vote on the following matters:

Approval and adoption of the merger agreement, a copy of which is attached as Annex A to this proxy statement/prospectus;

Approval, in an advisory (non-binding) vote, of compensation payable to the named executive officers of VIST in connection with the merger ("merger-related executive compensation"); and

Adjournment of the VIST special meeting, if necessary, to solicit additional proxies.

**Q: How does the VIST board of directors recommend that I vote my shares?**

A: The VIST board of directors recommends that the VIST shareholders vote their shares as follows:

"FOR" approval and adoption of the merger agreement;

"FOR" approval, in an advisory (non-binding) vote, of the merger-related executive compensation; and

"FOR" an adjournment of the VIST special meeting, if necessary, to solicit additional proxies.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this joint proxy statement/prospectus, please submit your proxy as soon as possible so that your shares will be represented at VIST's special meeting. Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker or other nominee.

**Q: Who is entitled to vote at the VIST special meeting?**

A: VIST shareholders of record as of the close of business on \_\_\_\_\_, \_\_\_\_\_, 2012, which is referred to as the VIST record date.

**Q: How many votes do I have?**

A: Each share of VIST common stock is entitled to one vote.

**Q: How do I vote my VIST shares?**

A:

## Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

You may vote your VIST shares by completing and returning the enclosed proxy card or by voting in person at the VIST special meeting. In addition, you may be able to vote via the Internet, as described below.

**Voting by Proxy.** You may vote your VIST shares by completing and returning the enclosed proxy card. Your proxy will be voted in accordance with your instructions. If you do not specify a choice on one of the proposals described in this joint proxy statement/prospectus, your proxy will be voted in favor of that proposal.

### **ON YOUR VIST PROXY CARD:**

Mark your selections;

Date and sign your name exactly as it appears on your card; and

Mail to [ ] in the enclosed return envelope.

Table of Contents

**Voting by Internet.** If you are a registered shareholder, you may vote electronically through the Internet by following the instructions included with your proxy card. If your shares are registered in the name of a broker or other nominee, your nominee may be participating in a program provided through ADP Investor Communication Services that allows you to vote via the Internet. If so, the voting form your nominee sends you will provide Internet instructions.

**Voting in person.** If you attend the VIST special meeting, you may deliver your completed proxy card in person or may vote by completing a ballot which will be available at the VIST special meeting.

Should you have any questions on the procedure for voting your shares, please contact [ ].

**Q: Why is my vote important?**

A: Because the merger cannot be completed without the affirmative vote of the holders of at least 70% of the shares of VIST common stock outstanding on , 2012, and because a majority of the outstanding VIST common stock entitled to vote is necessary to constitute a quorum in order to transact business at the special meeting, every shareholder's vote is important.

**Q: If my shares of VIST common stock are held in street name by my broker, will my broker automatically vote my shares for me?**

A: No. Your broker **CANNOT** vote your shares on any proposal at the VIST special meeting without instructions from you. You should instruct your broker as to how to vote your shares, following the directions your broker provides to you. Please check the voting form used by your broker.

**Q: What if I fail to instruct my broker?**

A: If you do not provide your broker with instructions, your broker generally will not be permitted to vote your shares on the merger proposal or any other proposal (a so-called "broker non-vote") at the VIST special meeting. For purposes of determining the number of votes cast with respect to the merger proposal, only those votes cast "for" or "against" the proposal are counted. Broker non-votes, if any, are submitted by brokers or nominees in connection with the special meeting, will not be counted as votes "for" or "against" for purposes of determining the number of votes cast, but will be treated as present for quorum purposes. Because the affirmative vote of the holders of at least 70% of the shares of VIST common stock is required for the adoption of the merger agreement, abstentions and broker non-votes will have the effect of a vote against adoption of the merger agreement but will not affect the outcome of any of the other matters being voted on at the meeting.

**Q: What constitutes a quorum for the VIST special meeting?**

A: As of , 2012, [ ] shares of VIST common stock were issued and outstanding, each of which will be entitled to one vote at the meeting. A majority of the outstanding shares, present or represented by proxy, constitutes a quorum. If you vote by proxy, your shares will be included for determining the presence of a quorum. Both abstentions and broker non-votes are also included for purposes of determining the presence of a quorum.

**Q: Assuming the presence of a quorum, what is the vote required to approve the matters to be considered at the VIST special meeting?**

A: The affirmative vote of the holders of at least 70% of the shares of VIST common stock outstanding on , 2012 is required for the approval and adoption of the merger



Table of Contents

agreement. The affirmative vote of a majority of all votes cast, in person and by proxy, at the meeting is required to approve the other matters to be considered at the meeting. Abstentions and broker non-votes will have the effect of a vote against adoption of the merger agreement but will not affect the outcome of any of the other matters being voted on at the meeting.

Simultaneously with the execution of the merger agreement, the directors and executive officers of VIST holding approximately [ ]% of the outstanding shares of VIST common stock each entered into a voting agreement with Tompkins pursuant to which each executive officer and director agreed that he or she will vote his or her shares of VIST common stock (i) in favor of the approval and adoption of the merger agreement and (ii) against any proposal made in opposition to or competition with the merger agreement or that would impede, interfere with, delay or otherwise adversely affect the consummation of the merger.

**Q: Do I have appraisal or dissenters' rights?**

A:

No. Under Pennsylvania law, holders of VIST common stock will not be entitled to exercise any appraisal rights in connection with the merger or any of the other proposals being presented to them.

**Q: Can I attend the VIST special meeting and vote my shares in person?**

A:

Yes. All shareholders, including shareholders of record and those who hold their shares through banks, brokers, nominees or any other holder of record, are invited to attend the special meeting. Holders of record of VIST common stock can vote in person at the special meeting. If you are not a shareholder of record, you must obtain a proxy, executed in your favor, from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership and you must bring a form of personal photo identification with you in order to be admitted. We reserve the right to refuse admittance to anyone without proper proof of share ownership and without proper photo identification.

**Q: Can I change my vote?**

A:

Yes. You may revoke any proxy at any time before it is voted by (1) signing and returning a proxy card with a later date, (2) delivering a written revocation letter to the Secretary of VIST, or (3) attending the special meeting in person, notifying the Secretary and voting by ballot at the special meeting. VIST Secretary's mailing address is VIST Financial Corp., P.O. Box 6219, Wyomissing PA 19610.

Any shareholder entitled to vote in person at the special meeting may vote in person regardless of whether a proxy has been previously given, and such vote will revoke any previous proxy, but the mere presence (without notifying the Secretary of VIST) of a shareholder at the special meeting will not constitute revocation of a previously given proxy.

**Q: Who will count the vote?**

A:

A representative of [ ] will tabulate the votes and act as the inspector of election.

**Q: Is my vote confidential?**

A:

Proxy instructions, ballots and voting tabulations that identify individual shareholders are handled in a manner designed to protect your voting privacy. Your vote will not be disclosed either within VIST or to third parties except (1) as necessary to meet applicable legal requirements, (2) to allow

Table of Contents

for the tabulation of votes and certification of the vote, or (3) to facilitate a successful proxy solicitation by the Board. Occasionally, shareholders provide written comments on their proxy card, which are then forwarded to management.

**Q: Who will bear the cost of soliciting votes for the VIST special meeting?**

A:

[ ] will pay the cost of preparing, assembling, printing, mailing and distributing these proxy materials. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person, by telephone, or by electronic communication by our directors, officers, and employees, who will not receive any additional compensation for such solicitation activities. [VIST has retained the services of [ ] to aid in the solicitation of proxies from banks, brokers, nominees and intermediaries, and to tabulate votes at the meeting. VIST estimates that it will pay a fee of \$ [ ] for these services.] In addition, VIST may reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation material to such beneficial owners.

**Q: What happens if additional proposals are presented at the VIST special meeting?**

A:

Other than the proposals described in this joint proxy statement/prospectus, VIST does not expect any matters to be presented for a vote at the special meeting. If you grant a proxy, the persons named as proxy holders, [ ] and [ ], will have the discretion to vote your shares on any additional matters properly presented for a vote at the special meeting.

**Q: When do you expect to complete the merger?**

A:

We expect to complete the merger in the third quarter of 2012. However, we cannot assure you when or if the merger will occur. Among other things, we cannot complete the merger until we obtain the approval of VIST shareholders at the special meeting.

**Q: Whom should I call with questions about the special meeting or the merger?**

A:

VIST shareholders should call VIST's Investor Relations at (610) 306-7211, or [ ], VIST's proxy solicitor, at [ ], with any questions about the special meeting, the merger or any related transactions.

**Q: Will I be able to trade the shares of Tompkins common stock that I receive in the merger?**

A:

Yes. The shares of Tompkins common stock that you receive pursuant to the merger will be listed on the NYSE-Amex under the symbol "TMP." Certain persons who are deemed affiliates of VIST will be required to comply with Rule 145 promulgated under the Securities Act of 1933, as amended (the "Securities Act"), if they sell their shares of Tompkins common stock received pursuant to the merger.

**Q: Should I send in my VIST stock certificates now?**

A:

No. If VIST shareholders approve the merger agreement, after the merger is completed, you will receive written instructions, including a letter of transmittal, that will explain how to exchange your VIST stock certificates for Tompkins common stock certificates. **Please do not send in any VIST stock certificates until you receive these written instructions and the letter of transmittal.**

Table of Contents

**Q: Are there risks that I should consider in deciding whether to vote to approve the merger agreement?**

A:

Yes. You should consider the risk factors set out in the section entitled "*Risk Factors*" beginning on page [ ] of this joint proxy statement/ prospectus.

**Q: What if I hold stock of both Tompkins and VIST?**

A:

If you hold shares of both Tompkins and VIST, you will receive two separate packages of proxy materials. A vote as a VIST shareholder for the merger proposal or any other proposals to be considered at the VIST special meeting will not constitute a vote as a Tompkins shareholder for the share issuance proposal relating to the merger or any other proposals to be considered at Tompkins annual meeting, and vice versa. Therefore, please sign, date and return all proxy cards that you receive, whether from Tompkins or VIST, or submit separate proxies as both a Tompkins shareholder and a VIST shareholder by Internet or telephone.

Table of Contents

**SUMMARY**

*This summary highlights selected information in this document, and it may not include all the information that is important to the shareholders of VIST and the shareholders of Tompkins. Shareholders of VIST and shareholders of Tompkins should each read carefully this entire joint proxy statement/prospectus, including the annexes and other documents referred to in this document.*

**The Companies**

***Tompkins***

Tompkins is headquartered in Ithaca, New York and is registered as a Financial Holding Company with the Federal Reserve Board under the Bank Holding Company Act of 1956, as amended. Tompkins offers a variety of financial products and services, including commercial and consumer banking, leasing, trust and investment management, financial planning and wealth management, insurance, and brokerage services. Tompkins' subsidiaries include: three wholly-owned banking subsidiaries, Tompkins Trust Company, The Bank of Castile, The Mahopac National Bank; AM&M Financial Services, Inc., a wholly owned registered investment advisor; and a wholly-owned insurance agency subsidiary, Tompkins Insurance Agencies, Inc. AM&M and the trust division of Tompkins Trust Company provide investment services under the Tompkins Financial Advisors name, including investment management, trust and estate, financial and tax planning as well as life, disability and long-term care insurance services.

At December 31, 2011, Tompkins had total assets of approximately \$3.4 billion, deposits of \$2.7 billion, and stockholders' equity of \$299.1 million. Tompkins' principal offices are located at The Commons, Ithaca, New York, 14851, and its telephone number is (607) 273-3210. Tompkins' common stock is traded on the NYSE-Amex under the Symbol "TMP." Tompkins was organized in 1995, under the laws of the State of New York, as a bank holding company for Tompkins Trust Company, a commercial bank that has operated in Ithaca, New York and surrounding communities since 1836.

***VIST***

VIST is a Pennsylvania business corporation headquartered in Wyomissing, Pennsylvania. VIST was organized as a bank holding company on January 1, 1986 and became a financial holding company on February 7, 2002 upon election with the Board of Governors of the Federal Reserve System (the "Federal Reserve"). VIST offers a wide array of financial services, including banking, insurance, investment, and mortgage services, through its various subsidiaries VIST Bank, VIST Insurance, LLC and VIST Capital Management, LLC. As of December 31, 2011, VIST Bank's wholly-owned subsidiary, VIST Mortgage Holdings, LLC, was inactive.

At December 31, 2011, VIST had total assets of \$1.43 billion, total shareholders' equity of \$115.7 million, and total deposits of \$1.19 billion. VIST's executive offices are located at 1240 Broadcasting Road, Wyomissing, Pennsylvania 19610, and its telephone number is (610) 603-7211. VIST's common stock is traded on the NASDAQ Global Market system under the symbol "VIST." For further information about VIST, its business and operations, please see "*Additional Information about VIST*" beginning on page [    ].

***Merger Sub***

Merger Sub was incorporated in the State of New York on January 24, 2012, and is a wholly owned subsidiary of Tompkins. Merger Sub has not, and prior to the completion of the merger will not, conduct any activities other than those incidental to its formation and the matters contemplated by the merger agreement.

Table of Contents

**The Merger**

Each of the Tompkins board of directors and VIST board of directors has approved and adopted the merger agreement, which provides that, subject to the terms and conditions of the merger agreement and in accordance with the New York Business Corporation Law, which is referred to in this joint proxy statement/prospectus as the NYBCL, upon completion of the merger, VIST will merge with and into Merger Sub, a wholly owned subsidiary of Tompkins, with Merger Sub being the surviving corporation in the merger and remaining a wholly owned subsidiary of Tompkins.

Each share of VIST common stock issued and outstanding immediately prior to the completion of the merger (except any shares of VIST common stock held by VIST, Tompkins, or Merger Sub, which will be cancelled upon completion of the merger) will be converted into the right to receive 0.3127 shares of Tompkins common, which we refer to as the "Exchange Ratio." The Exchange Ratio is subject to adjustment based on the average of the closing price of Tompkins common stock for the 20 consecutive business days ending three days prior to the date of the VIST special meeting of shareholders, which is to be held on \_\_\_\_\_, 2012. If this average closing price is greater than \$43.98, the Exchange Ratio will be adjusted and fixed at 0.2842 shares of Tompkins common stock for each VIST share of common stock, and if this average closing price is less than \$35.98, the Exchange Ratio will be adjusted and fixed at 0.3475 shares of Tompkins common stock for each VIST share of common stock. As a result, the value of the Tompkins shares that VIST shareholders will receive in the merger will change, and we cannot predict what the value will be at the closing of the merger. Further, if the Exchange Ratio decreases to 0.2842, this would increase the total number of shares of Tompkins common stock issued to VIST shareholders, which would have a dilutive effect on the relative ownership interest of each Tompkins shareholder in the combined company. Accordingly, at the time of the mailing of this joint proxy statement/prospectus, neither Tompkins nor VIST shareholders will be able to assess whether and to what extent Tompkins common stock issued in the merger will impact their relative holdings in the combined company following the merger.

Fractional shares of Tompkins common stock resulting from the application of the Exchange Ratio to a VIST shareholder's holdings of VIST common stock will be converted to the right to receive a cash payment for each such fractional share. The cash payment will equal an amount, rounded to the nearest cent and without interest, equal to the product of (i) the fraction of a share to which such holder would otherwise have been entitled and (ii) the average of the daily closing sales prices of a share of Tompkins Common Stock as reported on NYSE-Amex for the five consecutive trading days immediately preceding the Closing Date.

For further discussion of the merger consideration, see "*The Merger Agreement Merger Consideration*," beginning on page [    ].

**Recommendation of the Tompkins Board of Directors**

Tompkins' board of directors recommends that holders of Tompkins common stock vote as follows:

"FOR" the proposal to issue shares of Tompkins common stock in connection with the merger;

"FOR" each of the director nominees;

"FOR" the proposal to ratify Tompkins' appointment of an independent auditor;

"FOR" the proposal to adjourn the Tompkins annual meeting, if necessary, to solicit additional proxies; and

"FOR" the proposal to to transact other proper business at the annual meeting, or any adjournment thereof.

Table of Contents

For further discussion of Tompkins' reasons for the merger and the recommendations of Tompkins' board of directors, "*The Merger Tompkins' Reasons for the Merger*" and "*The Merger Recommendation of Tompkins' Board of Directors*," beginning on pages [ ] and [ ], respectively.

**Recommendation of the VIST Board of Directors**

VIST's board of directors recommends that holders of VIST common stock vote as follows:

"FOR" the approval and adoption of the merger agreement;

"FOR" approval, in an advisory (non-binding) vote, of the merger-related executive compensation; and

"FOR" an adjournment of the VIST special meeting, if necessary, to solicit additional proxies.

For further discussion of VIST's reasons for the merger and the recommendations of VIST's board of directors, see "*The Merger VIST's Reasons for the Merger*" and "*The Merger Recommendation of VIST's Board of Directors*," beginning on pages [ ] and [ ], respectively.

**Opinion of VIST's Financial Advisor**

In connection with the VIST board of directors' consideration of the merger agreement, VIST's financial advisor, Stifel, Nicolaus & Company, Incorporated, or "Stifel," provided its opinion to the VIST board of directors at the January 24, 2012 meeting of the VIST board of directors that, as of that date, and subject to and based on the qualifications and assumptions set forth in its opinion, the exchange ratio stated in the merger agreement was fair, from a financial point of view, to VIST's shareholders. The full text of Stifel's opinion is attached as Annex B to this joint proxy statement/prospectus. VIST shareholders should read that opinion and the description of Stifel's opinion contained in this document in their entirety. The opinion of Stifel does not reflect any developments that may have occurred or may occur after the date of its opinion and prior to the completion of the merger.

VIST paid Stifel a cash fee of \$250,000 concurrently with the rendering of the fairness opinion. Additionally, VIST has agreed to pay to Stifel at the time of completion of the merger a cash fee estimated to be approximately \$1.06 million.

**Interests of VIST's Directors and Executive Officers in the Merger**

In addition to their interests as VIST shareholders, the directors and executive officers of VIST may have interests in the merger that are different from or in addition to interests of other VIST shareholders. These interests include, among others, provisions in the merger agreement regarding board membership, as well as change in control agreements, employment agreements, indemnification, insurance, stock options, vesting of restricted stock, and eligibility to participate in various employee benefit plans. For purposes of the VIST agreements and plans, the completion of the merger will generally constitute a change in control. These additional interests may create potential conflicts of interest and cause some of these persons to view the proposed transaction differently than you may view it as a VIST shareholder. The financial interests of VIST's executive officers and directors in the merger include the following:

the appointment, effective at the closing of the merger, of two current VIST directors (to be mutually identified by Tompkins and VIST, subject to certain limitations) to the board of directors of Tompkins and the payment of compensation to such individuals in accordance with the policies of Tompkins, which currently consists of the following payments to each of Tompkins' non-employee directors: an annual retainer of \$13,000, a per diem payment of \$1,250



Table of Contents

for each Tompkins board meeting and between \$400 and \$750 for each committee meeting attended, depending on the committee;

the appointment, effective at the closing of the merger, of five current VIST directors (to be mutually identified by Tompkins and VIST, subject to certain limitations) to the board of directors of VIST Bank and the payment of compensation to such individuals in accordance with the policies of Tompkins related to its subsidiary banks, which currently consists of the following payments to each of the banks' non-employee directors: an annual retainer of \$14,200, and \$400 for each committee meeting attended;

the nomination of two (2) members of the current VIST board of directors which persons may or may not be those selected to fill the vacancies described above-for election at the first annual meeting of Tompkins following the merger;

the continued indemnification of current directors and executive officers of VIST and its subsidiaries pursuant to the terms of the merger agreement and providing these individuals with director's and officer's liability insurance;

the retention of certain executive officers of VIST, and payment of compensation to such executive officers, pursuant to employment agreements between Tompkins and each of them that are expected become effective at the closing of the merger;

each of VIST's named executive officers, as well as certain other executives, will be entitled to severance or change-in-control benefits upon a termination of their employment following the merger (except in certain limited circumstances); and,

the acceleration of vesting of unvested VIST stock options and restricted stock held by VIST directors and officers, and either the cashing out or the conversion of VIST stock options held by directors and officers into stock options to purchase shares of Tompkins common stock.

VIST's board of directors was aware of these interests and took them into account in its decision to approve the merger agreement. Please see "*The Merger Interests of Certain Persons in the Merger*" beginning on page [ ] for a more detailed description of these interests, as well as the costs associated with them. Certain officers of VIST and its subsidiaries are expected to be appointed as officers of Tompkins or its subsidiaries upon completion of the merger, and as employees of these surviving entities, they will be eligible for certain employee benefits. Please see "*The Merger Employee Benefit Plans*" on page [ ] for more information. All of these circumstances may cause some of VIST's directors and executive officers to view the proposed merger differently than VIST shareholder may view it.

**Material United States Federal Income Tax Consequences of the Merger**

The merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, and it is a condition to the completion of the merger that each of Tompkins and VIST receive a written opinion from their respective legal counsel to the effect that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. Stevens and Lee, P.C., counsel to VIST, will also render an opinion that the holders of VIST common stock will not recognize gain or loss for U.S. federal income tax purposes upon the exchange of their VIST common stock for Tompkins common stock pursuant to the merger. For further discussion of the material U.S. federal income tax consequences of the merger, see "*The Merger Material Federal Income Tax Consequences*," beginning on page [ ].

**Holders of VIST common stock should consult their tax advisors to determine the tax consequences to them, including the application and effect of any state, local or non-U.S. income and other tax laws, of the merger.**





Table of Contents

**Accounting Treatment of the Merger**

The merger will be treated as a "business combination" using the acquisition method of accounting with Tompkins treated as the acquiror under generally accepted accounting principles, or GAAP.

For further discussion of the accounting treatment of the merger, see "*The Merger Accounting Treatment*," beginning on page [ ].

**No Appraisal Rights**

Neither shareholders of Tompkins nor shareholders of VIST will have appraisal or dissenters' rights in connection with any of the proposals to be voted upon at their respective meetings.

**Regulatory Matters**

The Federal Reserve must approve the merger under the provisions of the Bank Holding Company Act of 1956, as amended (the "Bank Holding Company Act"), relating to the acquisition of a bank holding company by another bank holding company, and the applicable waiting period must expire before it can be completed. In addition, the Pennsylvania Department of Banking must approve the merger under the Pennsylvania Banking Code of 1965. It is expected that the applications for approval of the merger will be filed with the Federal Reserve, and with the Pennsylvania Department of Banking, during April 2012.

For further discussion of the regulatory requirements in connection with the merger, see "*The Merger Regulatory Approvals*," beginning on page [ ].

**Conditions to Completion of the Merger**

Currently, we expect to complete the merger in the third quarter of 2012. As more fully described in this joint proxy statement/prospectus and in the merger agreement, the completion of the merger depends on a number of conditions being satisfied or, where legally permissible, waived. These conditions include, among others:

the approval of the issuance of the shares of Tompkins common stock in the merger by the affirmative vote of the holders of a majority of the votes cast, in person or by proxy, at the Tompkins annual meeting;

the approval and adoption of the merger agreement by the affirmative vote of the holders of seventy percent (70%) of the outstanding shares of VIST common stock entitled to vote thereon;

the purchase or redemption of all VIST Series A Preferred Stock, and the warrant to purchase shares of VIST common stock, from the U.S. Treasury, with the result that any and all restrictions, limitations or conditions associated with VIST's participation in the Capital Purchase Program of the Troubled Asset Relief Program of the United States Department of the Treasury, or "TARP," will have terminated and no longer be of any force and effect;

the receipt of all required regulatory approvals, including the expiration of all waiting periods relating to such approvals, without the imposition of any condition or requirement that Tompkins' board of directors reasonably determines would materially and adversely affect the combined enterprise or materially impair the value of VIST (including its subsidiaries) to Tompkins;

the approval for listing on NYSE-Amex of the Tompkins common stock to be issued in the merger; and



Table of Contents

receipt by Tompkins and VIST of an opinion of their respective legal counsel to the effect that, for federal income tax purposes, the merger will constitute a reorganization or be treated as part of a reorganization, within the meaning of Section 368(a) of the Internal Revenue Code.

Tompkins' obligation to complete the merger is also separately subject to the satisfaction or waiver of the following conditions, among others:

the execution and delivery of employment agreements by certain of VIST's key employees, on terms and conditions satisfactory to Tompkins, as described below under "*The Merger Interests of Certain Persons in the Merger New Employment Agreements*" on page [    ];

the approval, on terms and conditions satisfactory to Tompkins, by the Federal Deposit Insurance Corporation, or "FDIC," of the assignment by merger of a certain Shared-Loss Agreement, dated November 19, 2010, by and among the FDIC as Receiver for Allegiance Bank of North America, and VIST and VIST Bank;

the execution and delivery of resignations from each of the directors of VIST's subsidiaries; and

VIST's representations and warranties in the merger agreement being true and correct, subject to the materiality standards contained in the merger agreement, and the performance by VIST, in all material respects, of all of its obligations under the merger agreement.

VIST's obligation to complete the merger is also separately subject to the satisfaction or waiver of the following conditions, among others:

Tompkins' representations and warranties in the merger agreement being true and correct, subject to the materiality standards contained in the merger agreement, and the performance by Tompkins, in all material respects, of all of its obligations under the merger agreement.

We cannot provide assurance as to when or if all of the conditions to the merger can or will be satisfied or waived by the appropriate party. For further discussion of the conditions to the merger, see "*The Merger Agreement Closing and Conditions to Closing of the Merger*," beginning on page [    ].

**No Solicitation of Other Offers**

VIST has agreed that it, its subsidiaries, and its representatives (including its directors and officers) will not, directly or indirectly:

initiate, solicit, induce or knowingly encourage, the making or implementation of any alternative acquisition proposal; or

participate in any discussions or negotiations regarding any alternative acquisition proposal, or furnish information or access to any person that has made an alternative acquisition proposal.

The merger agreement does not, however, prohibit VIST from furnishing information or access to a third party who has made an alternative acquisition proposal and participating in discussions and negotiating with such person prior to the receipt of shareholder approval if specified conditions are met. Among those conditions is a good faith determination by VIST's board of directors that the acquisition proposal constitutes a proposal that is more favorable to VIST and its shareholders than the transactions contemplated by the merger agreement and is reasonably capable of being completed on its stated terms, taking into account all financial, regulatory, legal and other aspects of the proposal.

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

For further discussion of the restrictions on solicitation of acquisition proposals from third parties, see "*The Merger Agreement Restrictions on VIST's Ability to Solicit Other Offers*," beginning on page [ ].

Table of Contents

**Termination and Termination Fee**

The merger agreement contains customary termination provisions for a transaction of this type that may apply even if VIST's and Tompkins' shareholders approve the merger. Tompkins and VIST can agree by mutual consent to terminate the merger agreement, if the board of directors of each determines to do so. In addition, either VIST or Tompkins may decide, without the consent of the other, to terminate the merger agreement if the merger is not completed by December 31, 2012.

VIST may terminate the merger agreement, without the consent of Tompkins, for the following reasons, among others, which are more fully described in this document:

if VIST has received a proposal for a competing business combination between VIST and a third party that is financially superior to the merger with Tompkins, and following certain procedures specified in merger agreement, the board of directors of VIST has made a determination to accept such superior proposal; and

if the average of the closing prices of Tompkins' common stock is less than \$32.00 (as adjusted for certain capital transactions) for the 10 consecutive trading days ending on the date on which certain closing conditions to the merger have been satisfied or waived by the party entitled to enforce such conditions.

Tompkins may terminate the merger agreement, without the consent of VIST, for the following reasons, among others, which are more fully described in this document:

if VIST has entered into an acquisition agreement with respect to a different transaction, or terminated the merger agreement, or if VIST withdraws or modifies, in a manner adverse to Tompkins, its recommendation to its shareholders in order to accept a proposal for a competing business combination between VIST and a third party that is financially superior to the merger with Tompkins; and

if the aggregate amount of VIST past-due loans and non-performing assets exceeds \$65,000,000 as of any month end prior to the closing date of the merger.

In addition, if Tompkins terminates the merger agreement as described above or under certain other circumstances, which are described in detail later in this joint proxy statement/prospectus, VIST will be required either to reimburse Tompkins' out-of-pocket expenses associated with the merger, to reimburse Tompkins for both its out-of-pocket expenses as well as for burdened staff costs, or to pay a termination fee of \$3,300,000, depending upon the reason for termination. For further discussion of these reimbursements and the termination fee and the circumstances under which the merger agreement may be terminated, see "*The Merger Agreement Termination and Termination Fee*," beginning on page [    ].

**Matters to Be Considered at the Meetings**

*Tompkins*

Tompkins shareholders will be asked to vote on proposals related to the following:

the issuance of shares of Tompkins common stock in connection with the merger;

the election of sixteen (16) Directors for a term of one year expiring in the year 2013;

the ratification of the appointment of the independent registered public accounting firm, KPMG LLP, as Tompkins' independent auditor for the fiscal year ending December 31, 2012; and

the adjournment of the Tompkins annual meeting, if necessary, to solicit additional proxies.

Table of Contents

The Tompkins board of directors recommends that Tompkins shareholders vote "FOR" all of the proposals set forth above. For further discussion of the Tompkins annual meeting, see "*Tompkins Annual Meeting of Shareholders*," beginning on page [    ].

**VIST**

VIST shareholders will be asked to consider and vote on the following proposals:

adoption of the merger agreement;

approval, in an advisory (non-binding) vote, of the merger-related executive compensation; and

approval of an adjournment of the VIST special meeting, if necessary, to solicit additional proxies.

The VIST board of directors recommends that VIST shareholders vote "FOR" all of the proposals set forth above. For further discussion of the VIST special meeting, see "*VIST Special Meeting of Shareholders*," beginning on page [    ].

**Rights of VIST Shareholders Will Change as a Result of the Merger**

The rights of Tompkins shareholders are governed by New York law and by Tompkins' restated certificate of incorporation and second amended and restated bylaws. The rights of VIST shareholders are governed by Pennsylvania law and by VIST's articles of incorporation, as amended, and bylaws. Upon the completion of the merger, the rights of VIST shareholders will be governed by New York law and by Tompkins' restated certificate of incorporation and second amended and restated bylaws. Therefore, VIST shareholders receiving merger consideration will have different rights once they become Tompkins shareholders. These differences are described in greater detail under "*Comparison of Rights of Holders of VIST Common Stock and Tompkins Common Stock*," beginning on page [    ].

**Litigation Related to the Merger**

On February 2, 2012, Gary Veitch, a purported shareholder of VIST, filed a complaint in the Supreme Court of Pennsylvania, Court of Common Pleas, Berks County against VIST, its directors, Tompkins, and Merger Sub, in connection with merger agreement. The lawsuit is brought on behalf of a putative class of similarly situated shareholders, and alleges that VIST's board of directors breached its fiduciary duties regarding the merger, that Tompkins and Merger Sub aided and abetted the alleged breach of fiduciary duties, and that the merger represents a waste of corporate assets. The plaintiffs ask that, among other equitable remedies, the merger be enjoined and that plaintiffs be reimbursed for costs and reasonable legal fees. Additionally, on February 6, 2012, William K. Serp, a purported shareholder of VIST, made a separate demand under Pennsylvania law on VIST's board of directors, demanding that the VIST board of directors rectify alleged failures of fiduciary duty in connection with the merger. VIST intends to vigorously defend itself, and Tompkins intends to vigorously defend itself and Merger Sub, against these allegations.

**Where You Can Find More Information**

If you would like more information about Tompkins or VIST, you should refer to the documents filed by each of us with the SEC. We have identified these documents and have set out instructions as to how you can obtain copies of these documents beginning on page [    ] under the heading "Where You Can Find More Information."



Table of Contents

**RISK FACTORS**

*In considering whether to vote in favor of the proposal to approve the Merger Agreement, you should consider all of the information included in this document and its annexes and all of the information included in the documents we have incorporated by reference. In particular, you should consider the following risk factors.*

**Risks Relating to VIST and Tompkins Shareholders in Connection with the Merger**

***VIST shareholders cannot be sure of the market value of the Tompkins common stock that they will receive in the merger.***

In the proposed merger, VIST shareholders will receive Exchange Ratio. The Exchange Ratio is subject to adjustment based on the average of the closing prices of Tompkins common stock for the 20 consecutive business days ending three days prior to the date of the VIST special meeting of shareholders, which is to be held on \_\_\_\_\_, 2012. If this average closing price is greater than \$43.98, the Exchange Ratio will be adjusted and fixed at 0.2842 shares of Tompkins common stock for each VIST share of common stock, and if this average closing price is less than \$35.98, the Exchange Ratio will be adjusted and fixed at 0.3475 shares of Tompkins common stock for each VIST share of common stock. As a result, the value of the Tompkins shares that VIST shareholders will receive in the merger will change, and we cannot predict what the value will be at the closing of the merger. Further, if the Exchange Ratio decreases to 0.2842, this would increase the total number of shares of Tompkins common stock issued to VIST shareholders, which would have a dilutive effect on the relative ownership interest of each Tompkins shareholder in the combined company. Accordingly, at the time of the mailing of this joint proxy statement/prospectus, neither Tompkins nor VIST shareholders will be able to assess whether and to what extent Tompkins common stock issued in the merger will impact their relative holdings in the combined company following the merger.

In addition, relative prices of Tompkins common stock and VIST common stock are likely to change between the date of this Joint Proxy Statement/Prospectus and the date that the merger is completed. The market prices of Tompkins and VIST common stock may change as a result of a variety of factors, including general market and economic conditions, changes in business, operations and prospects, and regulatory considerations. Many of these factors are beyond the control of Tompkins and VIST. As Tompkins and VIST market share prices fluctuate, the value of the shares of Tompkins common stock that a VIST shareholder will receive will correspondingly fluctuate. It is impossible to predict accurately the market price of Tompkins common stock upon, or after completion of, the merger. Accordingly, it is also impossible to predict accurately the market value of the consideration to be received by shareholders of VIST in the merger upon their exchange of shares of VIST common stock for shares of Tompkins common stock.

***The market price of Tompkins common stock may be affected by factors different from those affecting VIST common stock.***

Upon completion of the merger, VIST shareholders will own approximately 19% of the combined company. Tompkins' current businesses and markets differ from those of VIST and, accordingly, the results of operations of Tompkins after the merger may be affected by factors different from those currently affecting the results of operations of VIST. For a discussion of the businesses of Tompkins and VIST and of certain factors to consider in connection with those businesses, see the documents incorporated by reference into this document and referred to under "Where You Can Find More Information" beginning on page [ ].

Table of Contents

***The credit quality of VIST's loans may be poorer than Tompkins expected, which would require Tompkins to increase its allowance for loan losses and negatively affect Tompkins' earnings.***

In the merger Tompkins will acquire from VIST approximately \$958 million of corporate, commercial real estate, residential mortgage and construction and development related loans. As part of its due diligence on the merger, Tompkins reviewed a sample of these loans in various categories and has applied a fair value discount of approximately \$55 million to reflect the credit risk of the loan portfolio. Tompkins' examination of these loans was made using the same criteria, analyses and collateral evaluations that Tompkins has traditionally used in the ordinary course of our business. Although Tompkins believes the loans that it will acquire are of acceptable credit quality, no assurance can be given as to the future performance of these loans. If the credit quality of these loans deteriorates more than Tompkins expects, it will require Tompkins to increase its allowance for loan losses and could affect Tompkins' earnings in future periods in a material and adverse manner.

***The required regulatory approvals and filings may not be obtained or completed, may delay the date of completion of the merger or may contain materially burdensome conditions.***

Tompkins and VIST will be required to obtain regulatory approvals with respect to certain filings and/or applications regarding the merger. These approvals and filings may include, among other items, applications and notices filed with the Federal Reserve, approval of the listing of Tompkins common stock issued in the merger on NYSE-Amex, approval of the merger by the Pennsylvania Department of Banking and/or related filings pursuant to the Pennsylvania Banking Code, as amended, and such other relevant filings, registrations, authorizations or approvals as may be required by a governmental or regulatory entity. Such filings and approvals must be completed prior to effecting the merger. Tompkins and VIST have agreed to use their reasonable best efforts to complete these filings and obtain these approvals; however, satisfying any requirements of regulatory agencies may delay the date of completion of the merger or such approval may not be obtained at all. In addition, you should be aware that, as in any transaction, it is possible that, among other things, restrictions on Tompkins after the merger may be sought by governmental agencies as a condition to obtaining the required regulatory approvals and these conditions could be materially burdensome to Tompkins following the closing of the merger. We cannot assure you as to whether these regulatory approvals will be received, the timing of the approvals or whether any conditions will be imposed.

***Failure to complete the merger could negatively affect the market price of Tompkins' and VIST's common stock.***

If the merger is not completed for any reason, Tompkins and VIST will be subject to a number of material risks, including the following:

the market price of their common stock may decline to the extent that the current market prices of their shares already reflect a market assumption that the merger will be completed;

costs relating to the merger, such as legal, accounting and financial advisory fees, and, in specified circumstances, additional reimbursement and termination fees, must be paid even if the merger is not completed;

the diversion of management's attention from the day-to-day business operations and the potential disruption to each company's employees and business relationships during the period before the completion of the merger may make it difficult to regain financial and market positions if the merger does not occur.

Table of Contents

***If Tompkins does not successfully integrate VIST into its business and operations following the merger, the combined company may not realize the expected benefits from the merger.***

Integration in connection with any merger transaction is difficult and there is a risk that integrating the two companies may take more time and resources than we presently expect. Tompkins' ability to integrate VIST, which currently operates as a stand-alone business, into its operations and business divisions after the merger and its future success depends in large part on the ability of the management teams to work together effectively. The integration efforts may also be more difficult and time consuming than the companies anticipate. As with any merger of financial institutions, there may also be disruptions that cause VIST to lose customers or cause customers to withdraw deposits from VIST or Tompkins banking subsidiaries, or other unintended consequences that could have a material adverse effect on Tompkins' results of operations or financial condition.

***Tompkins and VIST will be subject to business uncertainties and contractual restrictions while the merger is pending.***

Uncertainties about the effect of the merger on their businesses may have an adverse effect on Tompkins and VIST. These uncertainties may also impair VIST's ability to attract, retain and motivate strategic personnel until the merger is consummated, and could cause their customers and others that deal with VIST to seek to change their existing business relationship, which could negatively impact Tompkins upon consummation of the merger. In addition, the merger agreement restricts Tompkins and VIST from taking certain specified actions without the other's consent until the merger is consummated. These restrictions may prevent Tompkins and VIST from pursuing or taking advantage of attractive business opportunities that may arise prior to the completion of the merger.

***The merger agreement limits VIST's ability to pursue alternatives to the merger with Tompkins.***

The merger agreement contains terms and conditions that make it more difficult for VIST to engage in a business combination with a party other than Tompkins. Subject to limited exceptions, VIST is required to convene a special meeting and VIST's board of directors is required to recommend approval of the merger agreement. If the VIST board of directors determines to accept a superior acquisition proposal from a competing third party, VIST will be obligated to pay a \$3.3 million termination fee to Tompkins. A competing third party may be discouraged from considering or proposing an acquisition of VIST, including an acquisition on better terms than those offered by Tompkins, due to the termination fee and VIST's obligations under the merger agreement. Further, the termination fee might result in a potential competing third party acquiror proposing a lower per share price than it might otherwise have proposed to acquire VIST. See "*The Merger Termination of the Merger Agreement Termination Fee*" beginning on page [ ].

***The opinion of VIST's financial advisor does not reflect changes in circumstances since January 24, 2012.***

VIST's financial advisor, Stifel, rendered an opinion dated January 24, 2012, to the VIST board of directors that, as of such date, and subject to and based on the considerations referred to in its opinion, the Exchange Ratio to be received for each VIST share was fair, from a financial point of view, to holders of VIST common stock. The opinion was based on economic, market and other conditions in effect on, and the information made available to it as of, the date thereof. Changes in the operations and prospects of Tompkins or VIST, general market and economic conditions and other factors on which Stifel's opinion to VIST was based, may significantly alter the value of Tompkins or VIST or the prices of shares of Tompkins common stock or VIST common stock by the time the merger is completed. The opinion does not speak as of the time the merger will be completed or as of any date other than the date of such opinion. The VIST board of directors' recommendation that holders of VIST common stock vote "FOR" adoption of the merger agreement, however, is as of the

Table of Contents

date of this joint proxy statement/prospectus. For a description of the opinion that VIST received from its financial advisor, please refer to "*The Merger Opinion of VIST's Financial Advisor*" beginning on page [ ]. For a description of the other factors considered by VIST's board of directors in deciding to approve the merger, please refer to "*The Merger VIST's Reasons for the Merger*" beginning on page [ ].

***VIST directors and executive officers may have interests in the merger that differ from your interests.***

Some of VIST's directors and executive officers have interests in the transaction other than their interests as shareholders. These interests include, among others, provisions in the merger agreement regarding board membership, as well as change in control agreements, employment agreements, indemnification, insurance, stock options, vesting of restricted stock, and eligibility to participate in various employee benefit plans. For purposes of the VIST agreements and plans, the completion of the merger will generally constitute a change in control. These additional interests may create potential conflicts of interest and cause some of these persons to view the proposed transaction differently than you may view it as a VIST shareholder. The financial interests of VIST's executive officers and directors in the merger include the following:

the appointment, effective at the closing of the merger, of two current VIST directors (to be mutually identified by Tompkins and VIST, subject to certain limitations) to the board of directors of Tompkins and the payment of compensation to such individuals in accordance with the policies of Tompkins;

the appointment, effective at the closing of the merger, of five current VIST directors (to be mutually identified by Tompkins and VIST, subject to certain limitations) to the board of directors of VIST Bank and the payment of compensation to such individuals in accordance with the policies of Tompkins;

the nomination of two (2) members of the current VIST board of directors which persons may or may not be those selected to fill the vacancies described above-for election at the first annual meeting of Tompkins following the merger;

the continued indemnification of current directors and executive officers of VIST and its subsidiaries pursuant to the terms of the merger agreement and providing these individuals with director's and officer's liability insurance;

the retention of certain executive officers of VIST, and the payment of compensation to these executives, including a retention payment, pursuant to employment agreements between Tompkins and these executives that will become effective at the closing of the merger;

each of VIST's named executive officers, as well as certain other executives, will be entitled to severance benefits upon a termination of their employment following the merger (except in certain limited circumstances); and,

the acceleration of vesting of unvested VIST stock options and restricted stock held by VIST directors and officers, and either the cashing out or the conversion of VIST stock options held by directors and officers into stock options to purchase shares of Tompkins common stock.

Please see "*The Merger Interests of Certain Persons in the Merger*" beginning on page [ ] for a more detailed description of these interests, as well as the costs associated with such interests. Certain officers of VIST and its subsidiaries are expected to be appointed as officers of Tompkins or its subsidiaries upon completion of the merger, and as employees of these surviving entities, they will be eligible for certain employee benefits. Please see "*The Merger Employee Benefit Plans*" on page [ ] for more information. All of these circumstances may cause some of VIST's directors and executive officers to view the proposed merger differently than VIST shareholders may view it.

Table of Contents

***The unaudited pro forma financial data included in this joint proxy statement/prospectus is preliminary and Tompkins' actual financial position and results of operations after the merger may differ materially from the unaudited pro forma financial data included in this joint proxy statement/prospectus.***

The unaudited pro forma financial data in this joint proxy statement/prospectus is presented for illustrative purposes only and is not necessarily indicative of what the combined company's actual financial position or results of operations would have been had the merger been completed on the dates indicated. The pro forma financial data reflect adjustments, which are based upon preliminary estimates, to record VIST's identifiable assets acquired and liabilities assumed at fair value and the resulting goodwill recognized. The purchase price allocation reflected in this document is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of VIST as of the date of the completion of the merger. Accordingly, the final purchase accounting adjustments may differ materially from the pro forma adjustments reflected in this document.

***After the merger is completed, VIST shareholders will become Tompkins shareholders and will have different rights that may be less advantageous than their current rights.***

Upon completion of the merger, VIST shareholders will become Tompkins shareholders. Differences between VIST's articles of incorporation and bylaws and Tompkins' restated certificate of incorporation and second amended and restated bylaws will result in changes to the rights of VIST shareholders who become Tompkins shareholders.

***VIST shareholders will have less influence as shareholders of Tompkins than as shareholders of VIST.***

VIST shareholders currently have the right to vote in the election of the board of directors of VIST and on other matters affecting VIST. The amount of Tompkins common stock VIST shareholders will receive for their shares of VIST common stock will result in the transfer of control of VIST to the shareholders of Tompkins. The percentage ownership of VIST shareholders in Tompkins will be much less than their percentage ownership of VIST. Because of this, VIST shareholders in the aggregate will have significantly less influence on the management and policies of Tompkins than they now have on the management and policies of VIST.

***Litigation relating to the merger could require us to incur significant costs and suffer management distraction, as well as delay and/or enjoin the merger.***

On February 2, 2012, Gary Veitch, a purported shareholder of VIST, filed a complaint in the Supreme Court of Pennsylvania, Court of Common Pleas, Berks County against VIST, its directors, Tompkins, and Merger Sub, in connection with the merger agreement. The lawsuit is brought on behalf of a putative class of similarly situated shareholders, and alleges that VIST's board of directors breached its fiduciary duties regarding the merger, that Tompkins and Merger Sub aided and abetted the alleged breach of fiduciary duties, and that the merger represents a waste of corporate assets. The plaintiffs ask that, among other equitable remedies, the merger be enjoined and that plaintiffs be reimbursed for costs and reasonable legal fees. Additionally, on February 6, 2012, William K. Serp, a purported shareholder of VIST, made a separate demand under Pennsylvania law on VIST's board of directors, demanding that the VIST board of directors rectify alleged failures of fiduciary duty in connection with the merger. VIST intends to vigorously defend itself, and Tompkins intends to vigorously defend itself and Merger Sub, against these allegations. Such actions, however, create additional uncertainty relating to the merger and responding to such demands and defending such actions is costly and distracting to management. While there can be no assurance as to the ultimate outcomes of the demands or the litigation, neither Tompkins nor VIST believes that their resolution will have a material adverse effect on its respective financial position, results of operations or cash flows.

Table of Contents

**Risks Relating to Combined Operations Following the Merger**

*Tompkins may fail to realize the cost savings estimated for the merger.*

The success of the merger will depend, in part, on Tompkins' ability to realize the estimated cost-savings from combining the businesses of Tompkins and VIST. Tompkins' management estimated at the time the proposed merger was announced that it believes it can achieve total cost-savings of approximately \$8.9 million, to be phased in between 2012 and 2014. While Tompkins and VIST continue to believe these cost-savings estimates are possible as of the date of this document, it is possible that the potential cost-savings could turn out to be more difficult to achieve than originally anticipated. The cost-savings estimates also depend on the ability to combine the businesses of Tompkins and VIST in a manner that permits those cost-savings to be realized. If the estimates of Tompkins and VIST turn out to be incorrect or Tompkins and VIST are not able to successfully combine their two companies, the anticipated cost-savings may not be realized fully or at all, or may take longer than expected to realize.

*Unanticipated costs relating to the merger could reduce Tompkins' future earnings per share.*

We believe that we have reasonably estimated the likely incremental costs of the combined operations of Tompkins and VIST following the merger. However, it is possible that unexpected transaction costs such as taxes, fees or professional expenses or unexpected future operating expenses such as unanticipated costs to integrate the two businesses, increased personnel costs or increased taxes, as well as other types of unanticipated adverse developments, including negative changes in the value of VIST's loan portfolio, could have a material adverse effect on the results of operations and financial condition of Tompkins following the merger. In addition, if actual costs are materially different than expected costs, the merger could have a significant dilutive effect on Tompkins' earnings per share.

*Failure to comply with the terms of the Shared-Loss Agreement with the FDIC may result in significant losses.*

It is a condition of closing that the FDIC approve, on terms and conditions satisfactory to Tompkins, the assignment by merger of a certain Shared-Loss Agreement, dated November 19, 2010, by and among the FDIC as Receiver for Allegiance Bank of North America, VIST and VIST Bank. This loss sharing agreement covers approximately \$51 million in assets (as of December 31, 2011), and provides that the FDIC will reimburse VIST for 70 percent of net losses on covered assets incurred up to \$12.0 million, and 80 percent of net losses exceeding \$12.0 million. 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. If the FDIC consents to the assignment of this loss sharing agreement from VIST to Tompkins, Tompkins must comply with the specific, detailed and cumbersome compliance, servicing, notification and reporting requirements provided in the Shared-Loss Agreement. Tompkins' failure to comply with the terms of the agreements or to properly service the loans and other real estate owned under the requirements of the loss sharing agreements may cause individual loans or large pools of loans to lose eligibility for loss share payments from the FDIC. This could result in material losses that are currently not anticipated.

Table of Contents

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION**

This document contains certain forward-looking information about Tompkins, VIST and the combined company that is intended to be covered by the safe harbor for "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995. These statements may include statements for the period after the completion of the merger. Representatives of Tompkins and VIST may also make forward-looking statements. Forward-looking statements are statements that are not historical facts. Words such as "expect," "believe," "will," "may," "anticipate," "plan," "estimate," "intend," "should," "can," "likely," "could" and similar expressions are intended to identify forward-looking statements. These statements include statements about the expected benefits of the merger, information about the combined company's objectives, plans and expectations, the likelihood of satisfaction of certain conditions to the completion of the merger and whether and when the merger will be completed. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of the management of each of Tompkins and VIST and are subject to risks and uncertainties, including the risks described in this joint proxy statement/prospectus under the section "Risk Factors," that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

In light of these risks, uncertainties, assumptions and factors, the results anticipated by the forward-looking statements discussed in this joint proxy statement/prospectus or made by representatives of Tompkins or VIST may not occur. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof or, in the case of statements made by representatives of Tompkins or VIST, on the date those statements are made. All subsequent written and oral forward-looking statements concerning the merger or the combined company or other matters addressed in this joint proxy statement/prospectus and attributable to Tompkins or VIST or any person acting on behalf of either are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, neither Tompkins nor VIST undertakes any obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date hereof or the date of the forward-looking statements or to reflect the occurrence of unanticipated events.

Table of Contents**SELECTED CONSOLIDATED FINANCIAL DATA OF TOMPKINS**

The following tables set forth selected consolidated financial information for Tompkins. The selected income statement data for each of the years ended December 31, 2011, 2010, 2009, 2008, and 2007 and the selected balance sheet data as of December 31, 2011, 2010, 2009, 2008, and 2007 have been derived from Tompkins' consolidated financial statements that were audited by KPMG LLP. You should read this information in conjunction with Tompkins' consolidated financial statements and related notes included in Tompkins' Annual Report on Form 10-K for the year ended December 31, 2011, which are incorporated by reference herein and from which this information is derived. Please see "Where You Can Find More Information" beginning on page [ ].

(in thousands except per share data)	Year ended December 31,				
	2011	2010	2009	2008	2007
<b>Balance Sheet Data:</b>					
Assets	\$ 3,400,248	\$ 3,260,343	\$ 3,153,260	\$ 2,867,722	\$ 2,359,459
Total loans	1,981,849	1,910,358	1,914,818	1,817,531	1,440,122
Deposits	2,660,564	2,495,873	2,439,864	2,134,007	1,720,826
Other borrowings	186,075	244,193	208,956	274,791	210,862
Shareholders' equity	299,143	273,408	245,008	219,361	198,647
<b>Income Statement Data:</b>					
Interest and dividend income	137,088	144,062	146,795	140,783	132,441
Interest expense	25,682	32,287	39,758	50,393	58,412
Net interest income	111,406	111,775	107,037	90,390	74,029
Provision for loan and lease losses	8,945	8,507	9,288	5,428	1,529
Net securities gains	396	178	348	477	384
Net income attributable to Tompkins Financial Corporation	35,419	33,831	31,831	29,834	26,371
<b>Per Common Share(1)</b>					
Basic earnings per share	3.21	3.13	2.98	2.81	2.47
Diluted earnings per share	3.20	3.11	2.96	2.78	2.45
Cash dividends per share	1.40	1.33	1.24	1.20	1.13
Book value per share	26.89	25.09	22.87	20.44	18.71
Tangible book value per share(2)	22.58	20.88	18.51	16.05	16.20
<b>Earnings Performance Ratios</b>					
Return on average assets	1.07%	1.06%	1.06%	1.13%	1.16%
Return on average equity	12.02%	12.72%	13.66%	14.15%	13.88%
Net interest margin	3.72%	3.86%	3.92%	3.81%	3.63%
Noninterest income to operating revenue	30.12%	29.23%	30.16%	33.74%	37.31%
<b>Asset Quality Ratios</b>					
Nonperforming assets to assets	1.26%	1.43%	1.12%	0.56%	0.40%
Allowance for loan and lease losses to total loans and leases	1.39%	1.46%	1.27%	1.03%	1.01%
Allowance for loan and lease losses to nonperforming loans and leases	66.65%	61.46%	69.72%	116.50%	156.27%
Net loan and leases charge-offs to average loans and leases	0.48%	0.26%	0.20%	0.18%	0.09%
<b>Capital ratios</b>					
Tangible common equity to tangible assets(3)	7.5%	7.1%	6.4%	6.1%	7.4%
Tier 1 capital (to average assets)	8.5%	8.0%	7.4%	6.7%	7.9%
Tier 1 capital (to risk-weighted assets)	12.9%	12.2%	10.9%	9.6%	11.3%
Total capital (to risk-weighted assets)	14.2%	13.4%	12.1%	10.6%	12.2%

(1) Per share data has been retroactively adjusted to reflect a 10% stock dividend paid on February 15, 2010

(2) Tangible book value per share is a non-GAAP based financial measure calculated using non-GAAP based amounts. The most directly comparable GAAP based measure is book value per share. To calculate tangible book value per share, we divide tangible common equity, which is a non-GAAP based measure calculated as common shareholders' equity less tangible assets, by the number of shares of common stock outstanding. In contrast, book value per share is calculated by dividing total common shareholders' equity by the number of shares of common stock outstanding. We included tangible book value per share because it is a basis upon which we assess our financial performance and it is a financial measure commonly used in our industry.

(3) The ratio of tangible common equity to tangible assets is a non-GAAP financial measure calculated using non-GAAP based measures. The most direct comparable GAAP measure is the ratio of common shareholders' equity to total assets. To calculate tangible common shareholders' equity and assets, we subtract intangible assets from both common shareholders' equity and total assets. Tangible common equity is then divided by tangible assets to arrive at the ratio.





Table of Contents**SELECTED CONSOLIDATED FINANCIAL DATA OF VIST**

The following tables set forth selected consolidated financial information for VIST. The selected income statement data for each of the years ended December 31, 2011, 2010, 2009, 2008, and 2007 and the selected balance sheet data as of December 31, 2011, 2010, 2009, 2008, and 2007 have been derived from VIST's consolidated financial statements that were audited by ParenteBeard LLC (for fiscal years 2007 through 2010) and Grant Thornton LLP (for fiscal year 2011). You should read this information in conjunction with VIST's consolidated financial statements and related notes included in VIST's Annual Report on Form 10-K for the year ended December 31, 2011, which are incorporated by reference herein and from which this information is derived. Please see "Where You Can Find More Information" beginning on page [ ].

	Year Ended December 31,				
	2011	2010	2009	2008	2007
	(Dollars in thousands except per share data)				
<b>Balance Sheet Data:</b>					
Total assets	\$ 1,431,715	\$ 1,425,012	\$ 1,308,719	\$ 1,226,070	\$ 1,124,951
Securities available for sale	375,691	279,755	268,030	226,665	186,481
Securities held to maturity	1,555	2,022	3,035	3,060	3,078
Federal Home Loan Bank stock	5,800	7,099	5,715	5,715	5,562
Loans, net of unearned income	907,177	954,363	910,964	886,305	820,998
Covered Loans	50,706	66,770			
Allowance for loan losses	14,049	14,790	11,449	8,124	7,264
Deposits	1,187,449	1,149,280	1,020,898	850,600	712,645
Repurchase agreements	103,362	106,843	115,196	120,086	110,881
Federal funds purchased				53,424	118,210
Borrowings		10,000	20,000	50,000	45,000
Junior subordinated debt	18,534	18,437	19,658	18,260	20,232
Shareholders' equity	115,683	132,447	125,428	123,629	106,592
Book value per share	13.66	16.44	17.29	17.30	18.84
<b>Income Statement Data:</b>					
Interest income	\$ 67,809	\$ 64,087	\$ 62,740	\$ 65,838	\$ 68,076
Interest expense	21,508	23,343	27,318	30,637	34,835
Net interest income before provision for loan losses	46,301	40,744	35,422	35,201	33,241
Provision for loan losses	9,036	10,210	8,572	4,835	998
Net interest income after provision for loan losses	37,265	30,534	26,850	30,366	32,243
Fee based income	17,737	18,854	19,555	19,209	20,171
Gain on sale of equity interest		1,875			
(Loss) gain on sale of other real estate owned	(1,245)	(1,640)	(1,117)	(120)	28
Net realized gains (losses) on sales of securities	1,473	691	344	(7,230)	(2,324)
Net credit impairment losses	(1,519)	(850)	(2,468)		
Noninterest expense	74,457	45,945	44,586	43,518	40,902
(Loss) income before income taxes	(20,746)	3,519	(1,422)	(1,293)	9,216
Income tax (benefit) expense	(165)	(465)	(2,029)	(1,858)	1,746
Net (loss) income	(20,581)	3,984	607	565	7,470
Preferred stock dividends and discount accretion	1,709	1,678	1,649		
Net (loss) income available to common shareholders	\$ (22,290)	\$ 2,306	\$ (1,042)	\$ 565	\$ 7,470
<b>Per Share Data:</b>					

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

(Loss) earnings per common share basic	\$	(3.39)	\$	0.37	\$	(0.18)	\$	0.10	\$	1.32
(Loss) earnings per common share diluted	\$	(3.39)	\$	0.37	\$	(0.18)	\$	0.10	\$	1.31
Cash dividends per common share	\$	0.20	\$	0.20	\$	0.30	\$	0.50	\$	0.77
<b>Selected Ratios:</b>										
Return on average assets		(1.42)%		0.29%		0.05%		0.05%		0.70%
Return on average shareholders' equity		(14.90)%		3.02%		0.51%		0.54%		7.15%
Dividend payout ratio		(5.90)%		53.69%		(166.22)%		503.89%		58.53%
Average equity to average assets		9.41%		9.73%		9.38%		8.95%		9.78%

28

Table of Contents

**UNAUDITED PRO FORMA COMBINED CONSOLIDATED FINANCIAL INFORMATION**

The following unaudited pro forma combined consolidated financial information assumes that each share of VIST common stock will be exchanged for .3127 shares of Tompkins common stock, and further assumes an average Tompkins common stock price of \$39.98 (using the trading day average for the 20-day period ending January 24, 2012, the day before the signing of the merger agreement on January 25, 2012). Utilizing the exchange ratio of .3127, it is anticipated that VIST common shareholders will own approximately 14.6% of the voting stock of the combined company after the merger.

The unaudited pro forma combined consolidated financial information is based upon the assumption that the total number of shares of VIST common stock outstanding immediately prior to the completion of the merger will be 6,638,603 and utilizes the exchange ratio of .3127 which will result in 2,075,891 Tompkins common shares being issued in the transaction. Upon completion of the merger, unvested VIST stock options totaling 922,549 will become fully vested. Certain options will convert into options to purchase Tompkins common stock and the holders of other options will be paid cash reflecting the difference between the merger consideration and the option exercise price. The unaudited pro forma combined consolidated financial statements assume that a total of \$1.1 million is paid in cash for the settlement of 603,164 outstanding stock options and the remaining 319,385 stock options will be converted into options to purchase Tompkins common stock and have an estimated fair value of \$1.8 million.

The following unaudited pro forma combined consolidated financial statements as of December 31, 2011 combines the historical consolidated financial statements of Tompkins and VIST. The unaudited pro forma combined consolidated financial statements give effect to the proposed acquisition as if the acquisition occurred on December 31, 2011 with respect to the consolidated statement of condition, and at the beginning of the period for the year ended December 31, 2011, with respect to the consolidated statement of income for the year. In addition, the pro forma combined consolidated financial statements assume that immediately prior to or contemporaneously with the completion of the merger, Tompkins will fund the redemption of VIST's TARP in the amount of \$25 million, plus any accrued dividends payable at the time of the redemption, using the proceeds of Tompkins' April 2012 issuance of 1,006,250 shares of Tompkins common stock, which issuance raised \$38.2 million, net of underwriting discounts but not excluding other offering expenses. The related VIST TARP warrants will also be purchased from the U.S. Treasury for an assumed price of \$2.3 million, consistent with VIST's book value of warrants, subject to final negotiation with the U.S. Treasury.

The notes to the unaudited pro forma combined consolidated financial statements describe the pro forma amounts and adjustments presented below. **This pro forma data is not necessarily indicative of the operating results that Tompkins would have achieved had it completed the merger as of the beginning of the period presented and should not be considered as representative of future operations.**

The unaudited pro forma combined consolidated financial information presented below is based on, and should be read together with, the historical financial information that Tompkins and VIST have included in this joint proxy statement/prospectus as of and for the indicated periods.

Table of Contents

**Selected Unaudited Pro Forma Combined Consolidated Financial Data**  
**(In Thousands, Except Per Share Data)**

	As of or for the Twelve Months Ended December 31, 2011
<b>Combined consolidated statement of income(1):</b>	
Total interest income	\$ 201,946
Total interest expense	41,514
Net interest income	160,432
Provision for loan and lease losses	17,981
Net interest income after provision for loan and leases losses	142,451
Total noninterest income	64,460
Total noninterest expenses(2)	174,028
Income before income tax expense	32,883
Income tax expense	17,551
Net income attributable to noncontrolling interests and Tompkins Financial Corporation	15,332
Net income attributable to noncontrolling interests	131
Preferred stock dividends and discount accretion	
Net income attributable to Tompkins Financial Corporation	\$ 15,201
Net income per share (Basic)	\$ 1.08
Net income per share (Diluted)	\$ 1.07
<b>Selected combined consolidated statement of condition items(1):</b>	
Available-for-sale securities	\$ 1,512,435
Held-to-maturity securities	28,286
Total loans and leases, net	2,817,614
Total assets	4,869,371
Total deposits	3,869,403
Borrowing	512,045
Equity	421,133

(1) The selected unaudited pro forma combined consolidated statement of condition items for Tompkins and VIST include estimated fair value purchase accounting adjustments of assets and liabilities of VIST. The selected unaudited pro forma combined consolidated statement of income does not include anticipated merger-related expenses or cost savings from the merger.

(2) Total noninterest expenses include a \$25.1 million noncash expense for goodwill impairment recorded on VIST's books in the fourth quarter of 2011.

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

Table of Contents

**Unaudited Pro Forma Combined Consolidated Statement of Condition as of December 31, 2011**  
(In Thousands, Except Share and Per Share Data)

	<b>Tompkins Financial Corporation</b>	<b>VIST Financial Corp.</b>	<b>Pro Forma Adjustments</b>	<b>Equity Issuance</b>	<b>Pro Forma Combined</b>
<b>Assets</b>					
Cash and due from banks	\$ 47,297	\$ 16,361	\$	\$	\$ 63,658
Interest-bearing deposits	2,170	6,314			8,484
Money market funds	100				100
Cash and cash equivalents	49,567	22,675			72,242
Trading securities, at fair value	19,598				19,598
Available-for-sale securities, at fair value	1,143,546	375,691	(17,524)(4)(10)	10,722(12)	1,512,435
Held-to-maturity securities	26,673	1,555	58(4)		28,286
Loans and leases, net of unearned income and deferred costs and fees	1,981,849	910,542	7,839(5)		2,900,230
Credit fair value of loans purchased			(55,023)(6)		(55,023)
Loans, net of fair value adjustments	1,981,849	910,542	(47,184)		2,845,207
Less: allowance for possible loan and lease losses	27,593	14,049	(14,049)(6)		27,593
Net loans and leases	1,954,256	896,493	(33,135)		2,817,614
Covered loans, net		50,706	(6)		50,706
Federal Home Loan Bank stock and Federal Reserve Bank stock	19,070	5,800			24,870
Premises and equipment, net	44,712	6,587	(9)		51,299
Bank owned life insurance	43,044	19,830			62,874
Goodwill	43,898	16,513	41,702(1)		102,113
Other intangible assets, net	4,096	3,319	5,603(3)		13,018
Accrued interest and other assets	51,788	32,546	29,982(11)(13)		114,316
<b>Total Assets</b>	<b>\$ 3,400,248</b>	<b>\$ 1,431,715</b>	<b>\$ 26,686</b>	<b>\$ 10,722</b>	<b>\$ 4,869,371</b>
<b>Liabilities</b>					
<b>Deposits:</b>					
<b>Interest-bearing</b>					
Checking, savings and money market	\$ 1,356,870	\$ 638,108	\$	\$	\$ 1,994,978
Time	687,321	419,947	21,390(7)		1,128,658
Noninterest bearing	616,373	129,394			745,767
Total Deposits	2,660,564	1,187,449	21,390		3,869,403
Federal funds purchased and securities sold under agreements to repurchase	169,090	103,362	14,373(8)		286,825
Other borrowings, including certain amounts at fair value	186,075				186,075
Trust preferred debentures	25,065	18,534	(4,454)(8)		39,145
Other liabilities	60,311	6,687		(208)(12)	66,790
<b>Total liabilities</b>	<b>3,101,105</b>	<b>1,316,032</b>	<b>31,309</b>	<b>(208)</b>	<b>4,448,238</b>
<b>Equity</b>					
Tompkins Financial Corporation shareholders' equity					
Preferred stock		23,979		(23,979)(12)	
Common stock	1,116	33,245	(33,037)(2)	101(12)	1,425
Stock warrant		2,307		(2,307)(12)	
Additional paid-in capital	206,395	65,626	18,940(2)	38,136(12)	329,097
Retained earnings	96,445	(10,644)	10,644(2)	(1,021)(12)	95,424
Accumulated other comprehensive (loss) income	(3,677)	1,361	(1,361)(2)		(3,677)
Treasury stock, at cost	(2,588)	(191)	191(2)		(2,588)
Total Tompkins Financial Corporation Shareholders' Equity	297,691	115,683	(4,623)	10,930	419,681

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

Noncontrolling interests		1,452			1,452
<b>Total Equity</b>	299,143	115,683	(4,623)	10,930	421,133
<b>Total liabilities and equity</b>	\$ 3,400,248	\$ 1,431,715	\$ 26,686	\$ 10,722	\$ 4,869,371
<b>Per Share Data</b>					
Shares Outstanding	11,123,556	6,638,603	(4,562,712)(1)	1,006,250(12)	14,205,697
Book Value Per Share	\$ 26.89	\$ 17.43			\$ 29.65
Tangible Book Value Per Share	\$ 22.57	\$ 14.44			\$ 21.54

31

Table of Contents

**Unaudited Pro Forma Combined Consolidated Statement of Income**  
**for the Twelve Months Ended December 31, 2011**  
(In Thousands, Except Per Share Data)

	Tompkins Financial Corporation	VIST Financial Corp.	Pro Forma Adjustments	Equity Issuance	Pro Forma Combined
<b>Interest Income</b>					
Loans	\$ 103,998	\$ 54,592	\$ (1,960)(5)	\$	\$ 156,630
Due from banks	12	31			43
Federal funds sold	7	8			15
Trading securities	873				873
Available-for-sale securities	30,103	13,067	(1,205)(4)	214(12)	42,179
Held-to-maturity securities	1,185				1,185
Other		24			24
Federal Home Loan Bank stock and Federal Reserve Bank stock	910	87			997
<b>Total interest income</b>	<b>137,088</b>	<b>67,809</b>	<b>(3,165)</b>	<b>214</b>	<b>201,946</b>
<b>Interest Expense</b>					
Deposits	13,087	15,103	(3,024)(7)		25,166
Federal funds purchased and securities sold under agreements to repurchase	4,872	4,762	(2,875)(8)		6,759
Trust preferred debentures	1,580	1,636	223(8)		3,439
Other borrowings	6,143	7			6,150
<b>Total interest expense</b>	<b>25,682</b>	<b>21,508</b>	<b>(5,676)</b>		<b>41,514</b>
<b>Net interest income</b>	<b>111,406</b>	<b>46,301</b>	<b>2,511</b>	<b>214</b>	<b>160,432</b>
Provision for loan and lease losses	8,945	9,036			17,981
<b>Net interest income after provision for loan and lease losses</b>	<b>102,461</b>	<b>37,265</b>	<b>2,511</b>	<b>214</b>	<b>142,451</b>
<b>Other Income</b>					
Investment services income	14,287	610			14,897
Insurance commissions and fees	13,542	12,201			25,743
Service charges on deposit accounts	8,491	1,673			10,164
Card services income	5,060	1,404			6,464
Mark-to-market gain on trading securities	62				62
Mark-to-market loss on liabilities held at fair value	(464)				(464)
Other income	6,705	604			7,309
Net other-than-temporary impairment losses	(65)	(1,519)			(1,584)
Net gain on securities transactions	396	1,473			1,869
<b>Total noninterest income</b>	<b>48,014</b>	<b>16,446</b>			<b>64,460</b>
<b>Other Expense</b>					
Salaries and wages	44,140	21,800			65,940
Pension and other employee benefits	14,275	2,315			16,590
Net occupancy expense of premises	7,117	4,977			12,094
Furniture and fixture expense	4,463	2,760			7,223
FDIC insurance	2,527	1,827			4,354
Amortization of intangible assets	589	476	1,019(3)		2,084
Goodwill impairment		25,069			25,069
Other operating expense	25,441	15,233			40,674
<b>Total other expenses</b>	<b>98,552</b>	<b>74,457</b>	<b>1,019</b>		<b>174,028</b>
<b>Income (loss) before income tax expense</b>	<b>51,923</b>	<b>(20,746)</b>	<b>1,492</b>	<b>214</b>	<b>32,883</b>
Income tax expense (benefit)	16,373	(165)	1,257(11)	85(11)	17,551
	<b>35,550</b>	<b>(20,581)</b>	<b>235</b>	<b>129</b>	<b>15,332</b>



## Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

Net income (loss) attributable to noncontrolling interests and Tompkins Financial Corporation						
Less net income attributable to noncontrolling interests	131					131
Less preferred stock dividends and discount accretion		1,709			(1,709)(12)	
Net income (loss) attributable to Tompkins Financial Corporation	\$ 35,419	\$ (22,290)	\$ 235	\$ 1,838	\$ 15,201	
<b>Earnings (loss) per common share:</b>						
Basic	\$ 3.21	\$ (3.39)				1.08
Diluted	\$ 3.20	\$ (3.39)				1.07
Cash dividends per common share	\$ 1.40	\$ 0.20				1.40
Average common shares outstanding:						
Basic	11,002	6,577	(4,501)(1)	1,006(12)		14,084
Diluted	11,035	6,577	(4,501)(1)	1,061(12)		14,172

Table of Contents

**NOTES TO UNAUDITED PRO FORMA COMBINED CONSOLIDATED FINANCIAL STATEMENTS**

(1)

The acquisition will be effected by the issuance of shares of Tompkins common stock to VIST's common shareholders. The unaudited pro forma combined consolidated financial information assumes that each share of VIST common stock will be exchanged for .3127 shares of Tompkins common stock and based on an average Tompkins common stock price of \$39.98 (using the trading day average for the 20-day period ending January 24, 2012, the day before the signing of the merger agreement on January 25, 2012). At the closing date of the merger, the exchange ratio may be adjusted in the manner described in the merger agreement based on the average closing price of Tompkins common stock during the 20 trading days ending on the day that is three days before the VIST shareholder meeting held to adopt the merger agreement. If that average closing price is more than \$43.98, then the exchange ratio shall be 0.2842 shares of Tompkins common stock for each share of VIST common stock and, if the average closing price is less than \$35.98, then the exchange ratio shall be 0.3475 shares of Tompkins common stock for each share of VIST common stock. The exchange ratios are subject to adjustment for stock splits, stock dividends, recapitalizations and similar transactions with respect to the Tompkins common stock. Utilizing the exchange ratio of .3127, it is anticipated that VIST common shareholders will own approximately 14.6% of the voting stock of the combined company after the merger. Upon completion of the merger, unvested VIST stock options will become fully vested. Certain options will convert into options to purchase Tompkins common stock and the holders of other options will be paid cash reflecting the difference between the merger consideration and the option exercise price. The final accounting purchase price assigned to record the shares issued in the acquisition will be based on the closing price of Tompkins common stock on the closing date of the acquisition. Tompkins and VIST cannot predict what the value or price of Tompkins' common stock will be at the closing of the transaction or how the value or price of Tompkins's stock may trade at any time, including the date hereof.

The unaudited pro forma combined consolidated financial information is based upon the assumption that the total number of shares of VIST common stock outstanding immediately prior to the completion of the merger will be 6,638,603 and utilizes the exchange ratio of .3127, which results in 2,075,891 Tompkins common shares being issued in the transaction. Upon completion of the merger, 922,549 unvested VIST stock options will become fully vested. Certain options will convert into options to purchase Tompkins common stock and the holders of other options will be paid cash reflecting the difference between the merger consideration and the option exercise price. It is anticipated in these pro forma financials that a total of \$1.1 million is paid in cash for the settlement of 603,164 outstanding stock options and the remaining 319,385 stock options will be converted into options to purchase Tompkins common stock and have an estimated fair value of \$1.8 million. The final allocation of the purchase price will be determined after the acquisition is completed and additional analyses are performed to determine the fair values of VIST tangible and identifiable intangible assets and liabilities as of the date the acquisition is completed. The final adjustments may be materially different from the unaudited pro forma adjustments presented herein. The unaudited pro forma combined consolidated financial information has been prepared to include the estimated adjustments necessary to record the assets and liabilities of VIST at their respective fair values and represents management's best estimate based upon the information available at this time. These pro forma adjustments included herein are subject to change as additional information becomes available and as additional analyses are performed. Such adjustments, when compared to the information shown in this document, may change the amount of the purchase price allocated to goodwill while changes to other assets and liabilities may impact the statement of income due to adjustments in the yield and/or amortization/accretion of the adjusted assets and liabilities.

Table of Contents

The total estimated purchase price for the purpose of this unaudited pro forma combined consolidated financial information is \$85.9 million. The following table provides the calculation and allocation of the purchase price used in the pro forma financial statements and a reconciliation of pro forma shares to be outstanding with estimated goodwill created in the transaction of \$58.2 million.

**Summary of Purchase Price Calculation and Goodwill Resulting from Merger  
And Reconciliation of Pro Forma Shares Outstanding at December 31, 2011**

(In thousands except share and per share data)	December 31, 2011
<b>Purchase Price Consideration in Common Stock</b>	
VIST common shares settled for stock	6,638,603
Exchange Ratio	0.3127
Tompkins shares to be issued	2,075,891
Value assigned to Tompkins common share	\$ 39.98
Purchase price assigned to VIST common shares exchanged for Tompkins stock	\$ 82,994
<b>Purchase Price Consideration Cash for Outstanding Options</b>	1,124
<b>Fair Value of VIST Options Rolled Over to Tompkins Options</b>	1,780
<b>Total Purchase Price</b>	<b>85,898</b>
Net Assets Acquired:	
VIST common shareholders' equity, excluding TARP and TARP Warrants	\$ 89,397
VIST goodwill and intangibles	(19,832)
<b>Estimated adjustments to reflect assets acquired at fair value:</b>	
Investments	58
Loans	
Interest rate fair value mark	7,839
Credit fair value mark	(55,023)
Allowance for loan losses	14,049
Core deposit intangible	5,603
Other identifiable intangibles, such as customer list and trade mark intangibles	3,319
Deferred tax assets	29,981
<b>Estimated adjustments to reflect liabilities assumed at fair value:</b>	
Time deposits	(21,390)
Borrowings	(9,919)
Transaction merger expenses incurred by VIST	(16,400)
	27,682
<b>Goodwill resulting from merger</b>	<b>\$ 58,216</b>

Table of Contents**Reconciliation of Pro Forma Shares Outstanding**

<b>VIST shares outstanding</b>	6,638,603
<b>Exchange ratio</b>	0.3127
<b>Tompkins shares to be issued to VIST</b>	2,075,891
<b>Tompkins shares outstanding*</b>	12,129,806
<b>Pro Forma Tompkins shares outstanding*</b>	14,205,697
<b>Percentage ownership for Tompkins*</b>	85.39%
<b>Percentage ownership for VIST*</b>	14.61%

\*

Includes the 1,006,250 common shares issued by Tompkins in April 2012.

- (2) Adjustment to reflect the issuance of common shares of Tompkins common stock with a \$0.10 par value in connection with the acquisition and an estimated fair value of VIST options rolled over to Tompkins options and the adjustments to shareholders' equity for the elimination of VIST historical equity accounts (common stock, accumulated other comprehensive loss, cost of treasury stock, and undivided profits) into surplus and adjustment for goodwill created in the transaction.
- (3) Adjustment for core deposit intangible to reflect the fair value of this asset and the related amortization using an accelerated method based upon an expected life of 10 years. The amortization of the core deposit intangible is expected to increase pro forma pre-tax noninterest expense by \$1.0 million in the first year following consummation. The fair value of other identifiable intangibles such as a customer list intangible asset are estimated to approximate the December 31, 2011 carrying value of VIST's other identifiable intangible assets. The amortization of the other identifiable intangibles on a proforma combined basis for 2011 is estimated to approximate the amortization of the other identifiable intangibles included in the VIST 2011 consolidated statement of income.
- (4) Adjustment to record held-to-maturity securities at fair value results in a premium of \$58 thousand. Income statement adjustments reflect prospective amortization of existing available-for-sale and held-to-maturity unrealized gains, which are amortized based on the expected lives of the securities. These adjustments are expected to decrease pro forma pre-tax interest income by \$1.2 million in the first year following consummation.
- (5) A fair value premium of \$7.8 million to reflect fair values of loans based on current interest rates of similar loans. The adjustment will be substantially recognized over approximately 7 years using an amortization method based upon the expected life of the loans and is expected to decrease pro forma pre-tax interest income by \$2.0 million in the first year following consummation.
- (6) A fair value discount of \$55.0 million to reflect the credit risk of the loan portfolio. Included is the reversal of the VIST allowance for loan losses of \$14.0 million in accordance with acquisition method of accounting for the acquisition. No pro forma earnings impact was assumed from the loan credit adjustments. The estimated fair value of the covered loans approximates their carrying value.
- (7) A fair value premium of \$21.4 million to reflect the fair values of certain interest-bearing time deposit liabilities based on current interest rates for similar instruments. The adjustment will be recognized using an amortization method based upon the estimated maturities of the deposit liabilities. This adjustment is expected to decrease pro forma pre-tax interest expense by \$3.0 million in the first year following consummation.
- (8) A fair value premium of \$14.4 million to reflect fair values of repurchase agreements with various terms and maturities. The adjustment will be recognized using an amortization method based upon the estimated maturities of these liabilities. This adjustment is expected to decrease pro forma pre-tax interest expense by \$2.9 million in the first year following consummation. Also a fair value

Table of Contents

discount of \$4.5 million to reflect fair values of trust preferred debentures with various terms and maturities. The adjustment will be recognized using an amortization method based upon the estimated maturities of these debentures. This adjustment is expected to increase pro forma pre-tax interest expense by \$223 thousand in the first year following consummation.

- (9) Tompkins is continuing to evaluate the fair value adjustment for premises and leased facilities. For purposes of these unaudited pro forma combined consolidated financial statements there is not an adjustment made as the fair value adjustment is not expected to be material.
- (10) Adjustment assumes VIST acquisition-related costs and cash settlement of certain VIST stock options will be paid for by the reduction of securities available-for-sale. For purposes of the unaudited pro forma combined consolidated financial statements, merger costs for both VIST and Tompkins are not included in the unaudited pro forma combined consolidated statement of income. The merger costs related to Tompkins and VIST, respectively, associated with the acquisition will be recorded as expense as incurred for GAAP reporting.
- (11) Adjustment assumes a tax rate of 40% related to fair value adjustments on the balance sheet and an effective tax rate of 40% on pre-tax amounts in the unaudited pro forma combined consolidated statement of income. A tax benefit was not taken for certain acquisition obligations and costs that were considered to be not tax deductible.
- (12) Immediately prior to or contemporaneously with the completion of the merger, Tompkins will fund the redemption of VIST's TARP in the amount of \$25 million, which is the original purchase price of the preferred stock plus any accrued dividends payable at the time of the redemption, using the proceeds of Tompkins' April 2012 issuance of 1,006,250 shares of Tompkins common stock, which issuance raised \$38.2 million, net of underwriting discounts but not excluding other offering expenses. As a result of the redemption, the remaining unamortized discount of \$1.0 million was recognized as an additional preferred stock dividend. For purposes of these unaudited pro forma combined consolidated statements, it is assumed that the related VIST TARP warrants will also be purchased from the U.S. Treasury for an assumed price of \$2.3 million, subject to final negotiation with Treasury. The unaudited pro forma combined consolidated financial statements assume that the excess funds from the stock issuance are invested in available-for-sale securities.
- (13) Other assets for VIST include a net FDIC Indemnification Asset representing the FDIC's indemnification obligation over the loss sharing agreements for covered loans and other real estate. The unaudited pro forma combined consolidated statements assume transfer of this asset to Tompkins.

Table of Contents**COMPARATIVE PER SHARE DATA (UNAUDITED)**

The following table sets forth certain historical VIST and Tompkins per share data. This data should be read together with VIST's and Tompkins' historical financial statements and notes thereto, incorporated by reference in this document, and the Tompkins unaudited pro forma financial statements included in this document. Please see *"Where You Can Find More Information"* beginning on page [ ]. **The per share data is not necessarily indicative of the operating results that Tompkins would have achieved had it completed the merger as of the beginning of the periods presented and should not be considered as representative of future operations.**

As of and for the  
Twelve Months Ended  
December 31, 2011

(In dollars)

<b>Comparative Per Share Data</b>	
<b>Basic net income (loss) per share</b>	
Tompkins historical	3.21
VIST historical(4)	(3.39)
Pro forma combined(1)(2)(4)	1.08
Equivalent pro forma for one share of VIST common stock(3)	0.34
<b>Diluted net income (loss) per share</b>	
Tompkins historical	3.20
VIST historical(4)	(3.39)
Pro forma combined(1)(2)(4)	1.07
Equivalent pro forma for one share of VIST common stock(3)	0.33
<b>Cash dividends declared per share</b>	
Tompkins historical	1.40
VIST historical	0.20
Pro forma combined(1)(2)	1.40
Equivalent pro forma for one share of VIST common stock(3)	0.44
<b>Book value per share</b>	
Tompkins historical	26.89
VIST historical	17.43
Pro forma combined(1)(2)	29.65
Equivalent pro forma for one share of VIST common stock(3)	9.27

- (1) The pro forma combined basic earnings and diluted earnings of Tompkins common stock is based on the pro forma combined net income for Tompkins and VIST divided by total pro forma common shares or diluted common shares of the combined entity. The pro forma information includes adjustments related to the estimated fair value of assets and liabilities and is subject to adjustment as additional information becomes available and as additional analysis is performed. The pro forma information does not include anticipated cost savings or revenue enhancements.
- (2) The pro forma combined book value of Tompkins common stock is based on the pro forma combined common stockholders' equity of Tompkins and VIST divided by total pro forma common shares of the combined entities. The unaudited pro forma combined consolidated financial information does not include anticipated cost savings or revenue enhancements.
- (3) The pro forma equivalent per share amount is calculated by multiplying the pro forma combined per share amount by an assumed exchange ratio of .3127 in accordance with the merger agreement.
- (4) Net income (loss) per share amounts for VIST and pro forma combined reflect the impact of \$24.4 million noncash expense for goodwill impairment recorded on VIST's books in the fourth quarter of 2011.

Table of Contents**MARKET PRICES, DIVIDENDS AND OTHER DISTRIBUTIONS**

Tompkins common stock trades on the NYSE-Amex under the symbol "TMP," and VIST common stock trades on the NASDAQ Global Market system under the symbol "VIST."

**Stock Prices**

The table below sets forth, for the calendar quarters indicated, the high and low closing sales per share of Tompkins common stock, as reported on the NYSE-Amex, and VIST common stock, as reported on the NASDAQ Global Market System. As of \_\_\_\_\_, 2012, there were approximately [ ] record holders of Tompkins' common stock and approximately [ ] record holders of VIST's common stock.

	Tompkins Common Stock		VIST Common Stock	
	High	Low	High	Low
<b>2009</b>				
First Quarter	\$ 50.76	\$ 29.55	\$ 9.40	\$ 5.75
Second Quarter	45.95	36.64	8.43	6.61
Third Quarter	43.59	38.25	7.71	5.71
Fourth Quarter	41.23	35.68	6.21	5.00
<b>2010</b>				
First Quarter	39.05	35.00	9.89	5.24
Second Quarter	43.44	36.52	9.40	7.40
Third Quarter	42.03	36.13	7.89	6.57
Fourth Quarter	41.91	38.04	7.65	6.84
<b>2011</b>				
First Quarter	41.85	39.15	9.34	7.40
Second Quarter	42.20	36.43	8.61	6.72
Third Quarter	41.00	34.01	7.11	5.41
Fourth Quarter	40.49	33.75	7.34	5.40
<b>2012</b>				
First Quarter	42.60	39.29	12.35	6.13
Second Quarter (through _____, 2012)				

**Market Value of Securities**

On January 25, 2012, the last trading day before the public announcement of the signing of the merger agreement, the last sale prices per share of Tompkins common stock on NYSE-Amex and VIST common stock on the NASDAQ Global Market system were \$41.01 and \$6.90, respectively. On \_\_\_\_\_, 2012, the latest practicable date before the date of this joint proxy statement/prospectus, the closing prices per share of Tompkins common stock on NYSE-Amex and VIST common stock on the NASDAQ Global Market system were \$[ ] and \$[ ], respectively.

The following table sets forth the market value per share of Tompkins common stock, the market value per share of VIST common stock and the equivalent market value per share of VIST common stock on January 25, 2012 (the last full trading day preceding public announcement of the merger) and \_\_\_\_\_, 2012 (the latest practicable trading day prior to the date of this joint proxy statement/prospectus). The equivalent market value per share is based upon an Exchange Ratio of 0.3127 shares of Tompkins common stock for each share of VIST common stock, multiplied by the closing sales price for Tompkins common

Table of Contents

stock on the date specified, because this Exchange Ratio is the mid-point of the three possible exchange ratios.

	<b>Tompkins Common Stock</b>	<b>VIST Common Stock</b>	<b>Equivalent Value Per Share of VIST Common Stock</b>
January 25, 2012	\$ 41.01	\$ 6.90	\$ 12.82

, 2012                                   \$                                   \$                                   \$

The market value of the Tompkins common stock to be issued in exchange for shares of VIST common stock upon the completion of the merger will not be known at the time of the VIST special meeting. The above tables show only historical comparisons. Because the market prices of Tompkins common stock and VIST common stock will likely fluctuate prior to the merger, these comparisons may not provide meaningful information to VIST shareholders in determining whether to adopt the merger agreement. VIST shareholders are encouraged to obtain current market quotations for Tompkins common stock and VIST common stock and to review carefully the other information contained, or incorporated by reference, in this joint proxy statement/prospectus. See "*Where You Can Find More Information*," at page [ ] of this joint proxy statement/prospectus. Following the merger, Tompkins' common stock will continue to be listed on NYSE-Amex, and there will be no further market for VIST common stock.

**Dividends and Other Distributions**

Dividends are paid by Tompkins as and when declared by Tompkins' board of directors. During the two most recent fiscal years, cash dividends on Tompkins common stock have been paid quarterly in the following amounts per share:

<b>Tompkins Payment Date</b>	<b>Amount</b>
2/15/2012	\$ 0.36
11/15/2011	\$ 0.36
8/15/2011	\$ 0.36
5/16/2011	\$ 0.34
2/15/2011	\$ 0.34
11/15/2010	\$ 0.34
8/16/2010	\$ 0.34
5/14/2010	\$ 0.34
2/15/2010	\$ 0.31

Dividends are paid by VIST as and when declared by VIST's board of directors. During the two most recent fiscal years, cash dividends on VIST common stock have been declared quarterly in the following amounts per share:

<b>VIST Payment Date</b>	<b>Amount</b>
2/27/2012	\$ 0.05
11/15/2011	\$ 0.05
8/15/2011	\$ 0.05
5/13/2011	\$ 0.05
2/15/2011	\$ 0.05
11/15/2010	\$ 0.05
8/13/2010	\$ 0.05
5/14/2010	\$ 0.05
2/22/2010	\$ 0.05



Table of Contents

**THE MERGER**

**Background and Negotiation of the Merger**

Tompkins' strategic initiatives include diversification within its markets, growth of its fee-based businesses, and growth internally and through acquisitions of financial institutions, branches, and financial services businesses. As such, Tompkins from time to time considers acquiring banks, thrift institutions, branch offices of banks or thrift institutions, or other businesses within markets currently served by Tompkins or in other locations that would complement Tompkins' business or its geographic reach. Tompkins generally targets merger or acquisition partners that are culturally similar and have experienced management and either possess significant market presence or have potential for improved profitability through financial management, economies of scale and expanded services. Tompkins has pursued acquisition opportunities in the past, and continues to review new opportunities.

Tompkins did not make any acquisitions in 2011, 2010 or 2009, other than the acquisition of certain insurance agencies and financial services companies, none of which were material. In 2008, Tompkins acquired Sleepy Hollow Bancorp, Inc, a privately held bank holding company located in Sleepy Hollow, New York. Upon completion of that merger, Sleepy Hollow Bancorp's banking subsidiary was merged into Mahopac National Bank, and its five full service offices and one limited service office, all in Westchester County, New York, became offices of Mahopac National Bank.

In July 2011, VIST filed a registration statement with the Securities and Exchange Commission registering \$30 million of its common stock for a proposed underwritten public offering. VIST intended to use the proceeds from the public offering to, among other things, fund organic growth and also pursue strategic acquisitions consistent with VIST's historic business strategy to expand opportunistically through the purchase of banks and related financial services businesses. The registration statement also provided that, to the extent that VIST was unable to deploy the net proceeds from the offering in a manner that provided attractive risk-adjusted returns or a strategic benefit to its growth strategy, it might use some of the proceeds to redeem a portion of the outstanding shares of preferred stock, with a liquidation value of \$25.0 million, previously issued to the United States Department of Treasury in December 2008 in connection with the TARP Capital Purchase Program. Due to continued volatility in the capital markets for financial institution equity offerings through the summer and fall of 2011, the offering was not commenced, although the registration statement remained on file with the SEC and VIST continued to evaluate with its financial advisors the timing of a potential public offering.

On September 1, 2011, VIST's Chief Executive Officer and its Chief Financial Officer attended an unsolicited meeting requested by senior representatives of a large regional bank holding company ("Company A"), at which meeting Company A indicated its interest in considering a business combination with VIST. The Company A representatives indicated preliminarily that, depending on the results of further investigation, including comprehensive due diligence, Company A might be willing to consider a price in the range of \$10.00 to \$12.00 per share. Following the meeting on September 1, 2011, VIST's Chief Executive Officer informed VIST's Chairman of the occurrence of the meeting with the Company A representatives.

On September 14, 2011, VIST publicly announced that it had withdrawn its previously filed application to the U.S. Department of Treasury to participate in Treasury's Small Business Lending Fund, which had been created as part of the Small Business Jobs Act enacted in September 2010. VIST decided to withdraw the application after being notified by Treasury representatives that VIST's application would not be approved. Under the terms of the Small Business Lending Fund program, outstanding preferred stock issued by financial institutions under the TARP Capital Purchase Program, including the preferred stock issued by VIST under the Capital Purchase Program, was required to be redeemed with the proceeds of the securities issued under the Small Business Lending Fund that provided certain favorable interest rate and other terms.

Table of Contents

On September 19, 2011, VIST's board of directors held its annual strategic planning session. As part of those discussions, and in light of the continued volatility in the capital markets and the September 1, 2011 meeting with the representatives of Company A, the board generally discussed the possibility of considering strategic alternatives other than the capital raise pursuant to the registration statement then on file with the SEC. The board of directors concluded to invite representatives of Stifel and representatives of another investment banking firm to make presentations to the board on strategic alternatives, including the capital raise and also consideration of a business combination transaction.

On October 13, 2011, VIST's board held a special meeting at which representatives of Stifel and the second investment banking institution gave separate presentations on three broad potential strategic alternatives available to VIST: (i) maintain the status quo and continue to operate with no new or additional capital; (ii) continue to pursue the capital raise alternative pursuant to the registration statement then on file, giving due consideration to the size, timing and pricing of any offering in challenging market conditions; and (iii) pursue a business combination transaction with a potential merger partner. At the conclusion of this meeting, the board of directors determined to continue to pursue the public offering alternative in the event that market conditions improved, but also determined to engage Stifel to contact confidentially a select list of potential merger candidates, determined by management in conjunction with input from Stifel, who might have an interest in a business combination with VIST. A representative of VIST's outside general counsel, Stevens & Lee, P.C., also attended this meeting in person.

From October 14, 2011 through approximately November 7, 2011, VIST and Stifel prepared a confidential information memorandum to be distributed to selected parties to solicit their interest in a potential business combination transaction involving VIST, as well as a form of confidentiality agreement to be executed by such selected parties prior to their receipt of the confidential information memorandum. In addition, during this period VIST and Stifel populated a confidential virtual data room (the "VDR") with due diligence information regarding VIST. On November 7, 2011, management approved the form of confidential information memorandum to be distributed by Stifel to the selected parties.

From November 7, 2011 through November 10, 2011, Stifel initiated contact with a total of six selected parties provided by management based on discussions with Stifel. Such parties consisted of Tompkins, Company A and four additional publicly-traded financial institutions: "Company B," "Company C," "Company D," and "Company E." Tompkins first became aware of the potential business combination with VIST on November 8, 2011, and signed a confidentiality agreement the same day. By November 14, 2011, all six parties had executed confidentiality agreements, received a copy of the confidential information memorandum, and begun to conduct due diligence of VIST via the VDR.

On November 10, 2011, a representative of Stifel met in person with the President and Chief Executive Officer of Tompkins. At this meeting, Stifel discussed the intended process and timing with Tompkins.

On November 15, 2011, VIST held a regularly scheduled board meeting. At this meeting, a representative of Stifel's capital markets group (which had been named as sole book running manager for the proposed public underwritten offering under the registration statement filed in July 2011) attended the first portion of the board meeting by telephone and updated the board of directors on the state of the capital markets for financial institution offerings in light of VIST's continued consideration of the capital raising alternative in addition to the potential business combination transaction. Following departure from the meeting of the Stifel capital markets representative (who was not at the time of the board meeting aware of VIST's consideration of a potential business combination transaction), the board acknowledged that the state of the capital markets for financial institutions continued to present challenges to raising capital on acceptable terms, but concluded that the capital raise continue as a potential strategic alternative, in addition to consideration of a potential business combination

Table of Contents

transaction, in the event that conditions in the capital markets for financial institutions improved. Representatives of Stifel's investment banking group acting as VIST's financial advisor in connection with the business combination transaction, and who were present during the entire board meeting, then updated the board on the status of the discussions with the various potential merger candidates and informed the board of directors that initial written indications of interest had been requested from all parties by November 28, 2011. A representative of Stevens & Lee also attended this meeting by telephone.

On November 16, 2011, Tompkins contacted Macquarie Capital (USA) Inc. to request that it act as Tompkins' financial advisor should Tompkins determine to pursue a business combination with VIST.

On November 17, 2011, members of VIST's senior management participated in a conference call with members of Tompkins' senior management.

On November 22, 2011, members of VIST's senior management and Stifel met separately with representatives of Company B and Company C.

Also on November 22, 2011, a special meeting of the Tompkins Board of Directors was called to discuss the potential business combination with VIST and review potential transaction terms, at which Tompkins' management was authorized to submit a non-binding indication of interest to Stifel. Representatives of Harris Beach PLLC and Macquarie Capital (USA) Inc. attended this special meeting of the Tompkins board.

On November 28, 2011, VIST received initial written indications of interest from Company A, Company B and Tompkins. Each of Company C, Company D and Company E elected not to submit initial indications of interest. The initial indication of interest letters received from the three parties provided for per share merger consideration of \$11.00 to \$12.00 (Company A), \$11.50 to \$13.50 (Company B), and \$11.00 to \$12.50 (Tompkins). The indication of interest from Company A provided for consideration in the form of common stock and cash (with a maximum of 25% cash), and the indications of interest from both Company B and Tompkins provided for 100% common stock consideration.

On December 2, 2011, the board of directors held a special meeting to consider the indications of interest received from the three potential merger candidates. In addition to the board of directors and VIST's Chief Financial Officer, this meeting was attended by representatives of Stifel and a representative of Stevens & Lee. At this meeting, Stifel reviewed with the board a comparison of the financial terms of the indications of interest received, as well as a comparison of the non-financial terms of the indications of interest and a summary of each of Tompkins, Company A and Company B. At the conclusion of this meeting, the board elected to pursue a dual track process consisting of continuing the potential business combination discussions by scheduling on-site due diligence with the three parties that had submitted written indications of interest, while also continuing to consider and evaluate capital raising alternatives.

On December 5, 2011, VIST's Chairman, its Chief Executive Officer, and its Chief Financial Officer met with select senior executive officers of VIST to advise them that VIST was in discussions with three parties regarding a potential business combination and that due diligence was scheduled for December 8, 2011 through December 15, 2011. Representatives from Stifel and Stevens & Lee attended this meeting. Company A conducted on-site due diligence from December 8, 2011 through December 10, 2011; Tompkins conducted on-site due diligence from December 12, 2011 through December 14, 2011; and Company B conducted on-site due diligence on December 15, 2011 with additional conference calls with VIST's senior management on December 16, 2011.

From December 19, 2011 through December 23, 2011, Stifel contacted each of Tompkins, Company A and Company B regarding their ongoing due diligence efforts and continued interest in the potential business combination transaction.

Table of Contents

On December 22, 2011 each of Company A and Company B separately advised Stifel that they had elected not to continue in the process and would not be submitting a revised indication of interest. On December 23, 2011, Tompkins submitted a revised indication of interest letter.

The board of directors considered Tompkins' revised indication of interest at a special meeting of the board held on December 28, 2011. At this meeting, representatives of Stifel first reviewed with the board the status of the equity capital markets, particularly for smaller market capitalization public companies, in light of the public offering registration statement still on file with the SEC. The board concluded that the prospects for a successful equity capital raise in an amount sufficient to meet business objectives that would not result in substantial dilution to existing shareholders were not sufficiently positive under current market conditions. The board then reviewed the terms of the revised indication of interest received from Tompkins. The revised Tompkins offer was for a 100% stock transaction with a fixed exchange ratio within a 10% collar based on Tompkins 20-day average stock price designed to result in a value of \$12.50 per share for VIST common shareholders. Based on the 20-day average Tompkins stock price for the period ending December 22, 2011, the fixed exchange ratio within the collars would be 0.319 shares of Tompkins common stock for each VIST share of common stock. As of the date of the board meeting, the price represented a 93% premium to VIST's current market price per share, a 28.4x multiple to last twelve months earnings, and 117% of VIST's tangible book value per share, and also would result in per share dividend accretion of 130% based on Tompkins' common stock dividend rate. At this meeting, the board of directors also reviewed and considered certain non-financial factors of the Tompkins offer, including the fact that VIST Bank would retain its separate bank charter and operate as a wholly owned subsidiary of Tompkins with a board of directors that included local representatives, that Tompkins intended to retain local decision-making authority for the markets served by VIST Bank, that Tompkins supported VIST's current strategic bank branching plans and had no present plans for branch closings or relocations, that the offer contained no financing contingencies, and that severance would be offered to any terminated employees in accordance with VIST's severance policy. The board also noted that Tompkins intended to purchase and retire VIST's outstanding preferred stock and related warrants issued to the United States Department of Treasury in connection with the TARP Capital Purchase Program, which would address VIST's need to refinance such securities at some point in the future. Stevens & Lee also attended this meeting and reviewed with the board its fiduciary duties under Pennsylvania law relating to the transaction under consideration.

At the conclusion of discussion at the board of directors meeting held on December 28, 2011 the board directed Stifel to contact Tompkins and inform Tompkins that its indication of interest had been accepted unanimously, pending negotiation and approval by the boards of directors of both parties of definitive documentation for a business combination transaction.

Representatives of Stifel conducted onsite reverse due diligence on Tompkins on January 9, 2012, including management interview telephone calls involving members of VIST's senior management, Stifel, and Stevens & Lee. Additional follow-up due reverse due diligence conference calls involving Stifel, Stevens & Lee and senior management of both VIST and Tompkins were held on January 11, 2012 and January 12, 2012.

Stevens & Lee received a draft merger agreement from Harris Beach PLLC, Tompkins' outside counsel, on January 9, 2012. The parties and their respective counsel and advisors negotiated the terms of the transaction and the merger agreement from January 9, 2012 through January 24, 2012.

Table of Contents

On January 24, 2012, VIST's board of directors met to consider the final merger proposal as set forth in the proposed definitive merger agreement and related documents negotiated by Tompkins and VIST and their respective counsel and advisors. At this meeting, representatives of Stifel presented a summary of its financial analyses of the proposed transaction and delivered Stifel's oral and written opinion that, as of the date of the meeting, the per share merger consideration to be received from Tompkins by holders of shares of VIST common stock in the merger pursuant to the merger agreement was fair to such holders from a financial point of view. A representative from Stevens & Lee, as counsel to VIST, made a detailed presentation on the terms of the proposed merger and the merger agreement, including the provisions of the voting agreements which each VIST director would be required to execute. Following extensive discussion and after all questions were addressed by VIST's advisors, the board of directors unanimously approved the merger agreement and the transactions set forth in the agreement, and resolved to submit the merger agreement to shareholders for consideration and approval.

At its regularly scheduled meeting on January 24, 2012, the Tompkins board of directors considered the proposed transaction with VIST. Also attending the meeting were representatives of Harris Beach and Macquarie Capital (USA) Inc. At the meeting, Mr. Romaine reviewed with the board the financial analysis and the financial terms of the proposed transaction with VIST. Representatives of Harris Beach PLLC and Macquarie Capital (USA) Inc. also reviewed with the board of directors the terms of the proposed merger agreement, as well as fiduciary duties of the directors in connection with the transaction. After lengthy discussion, Tompkins' board of directors unanimously approved the merger agreement and agreed to recommend that the Tompkins shareholders approve the merger agreement.

The merger agreement was executed by the parties on January 25, 2012 and publicly announced on January 26, 2012.

**Tompkins' Reasons for the Merger**

Tompkins board of directors reviewed and discussed the transaction with Tompkin's management and its financial and legal advisors in unanimously determining that the merger was advisable and in the best interests of Tompkins and its shareholders. This discussion of the Tompkins board of directors' reasons for approving the merger is forward looking in nature and, therefore, should be read in light of the factors discussed under the heading "*Forward Looking Statements*" on page [ ]. In reaching its determination, the Tompkins directors considered a number of factors, including, among others, the following:

the board's understanding of, and presentations of Tompkin's management and financial advisor regarding, VIST's business, operations, management, financial condition, asset quality and prospects;

the board's agreement with Tompkin's management that the merger provides Tompkins with a sizeable expansion opportunity in a Southeast Pennsylvania market with attractive demographics and is consistent with Tompkins conservative acquisition strategy of selectively entering into new, attractive markets;

the board's view that VIST's business mix and branch network is well suited to Tompkin's own product set and will provide Tompkins with an opportunity to accelerate loan growth, grow VIST's trust and investment management business in affluent markets and integrate a well-developed insurance agency into Tompkin's own operations;

its understanding, based on information then available, that the merger should be accretive to earnings in the first year and thereafter;

Table of Contents

the results of management's due diligence investigation of VIST and the reputation, business practices and management of VIST, including its impression that VIST is a well run bank holding company with a business model very similar to Tompkin's own, and that operation of VIST bank as a separate subsidiary will be consistent with the operations of Tompkin's other bank subsidiaries;

the board's view as to the potential synergies resulting from a combination of Tompkins and VIST, the potential long term cost savings and the growth prospects associated with the combined operations;

the board's view that the combined company will have the potential to realize a stronger competitive position and improved long-term operating results, including revenue and earnings enhancements; and,

the review by Tompkin's board of directors with its legal and financial advisors of the structure of the merger and the financial and other terms of the merger agreement, including deal protections in the event of any termination of the merger.

This discussion of factors considered by Tompkins board of directors is not exhaustive but sets out the material factors considered by the Tompkins board of directors. The board did not attempt to quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision and individual directors may have given different weights to each factor. Rather, the board of directors considered these factors as a whole and, after its evaluation, including asking questions of Tompkin's management and financial and legal advisors, determined them to be favorable to, and supportive of, its determination.

#### **Recommendation of Tompkins' Board of Directors**

Tompkins' board of directors believes that the terms of the transaction are in the best interests of Tompkins and its shareholders and has approved the issuance of Tompkins common stock pursuant to the merger agreement. Accordingly, Tompkins' board of directors unanimously recommends that Tompkins shareholders vote "FOR" the issuance of shares of Tompkins common stock pursuant to the merger agreement.

#### **VIST's Reasons for the Merger**

**VIST's board of directors carefully considered the process by which potentially interested acquirers were identified, the indications of interest that were received, the terms of the merger agreement and the value of the merger consideration to be received by the holders of VIST common stock. After careful consideration, VIST's board of directors determined that it is advisable and in the best interests of VIST for VIST to enter into the merger agreement with Tompkins. Accordingly, VIST's board of directors unanimously recommends that VIST's shareholders vote "FOR" approval and adoption of the merger agreement.**

In the course of making its decision to approve the transaction with Tompkins, VIST's board of directors consulted with VIST's senior management and VIST's financial and legal advisors. VIST's board of directors considered, among other things, the following factors:

the board's understanding of the current and prospective environment in which VIST operates, including national, regional and local economic conditions, the competitive environment for financial institutions, the increased regulatory burdens on financial institutions and the uncertainties in the regulatory climate going forward, the trend toward consolidation in the financial services industry generally and the likely effect of these factors on VIST's potential growth, profitability and strategic options;

Table of Contents

the board's assessment of the challenges in completing an underwritten public offering under the registration statement on file with the SEC to realize sufficient proceeds to permit VIST to execute its business plan at a price that would not result in significant dilution to existing shareholders;

the board's view that the size of the institution and related economies of scale, beyond the level it believed to be reasonably achievable on an independent basis, was becoming increasingly important to continued success in the current and prospective financial services environment;

the comprehensive process conducted by VIST's management and Stifel, VIST's financial advisor, to identify potential merger partners and to solicit proposals as to the terms, structure and other aspects of a potential transaction from potential merger partners;

the board's understanding of VIST's business, operations, financial condition, earnings and prospects and of Tompkins's business, operations, financial condition, earnings and prospects, including the respective geographic markets in which the companies and their banking subsidiaries each operate;

the board's perception that VIST's operating philosophy as a community-oriented financial services company with a strong customer focus is compatible with Tompkins's operating philosophy;

Tompkins commitment to continue VIST Bank as a separately chartered banking subsidiary of Tompkins, and Tompkins' operating history with its current subsidiary banks;

the board's perception regarding the enhanced future prospects of the combined company compared to those VIST was likely to achieve on a stand-alone basis, including the projected market capitalization and market position of the combined entity and the compatibility of VIST's and Tompkins' business activities, as well as opportunities for increasing revenues as a result of a higher lending limit to originate larger and more profitable commercial loans and revenues associated with fee income products, such as insurance and investment products;

the board's review with its legal and financial advisors of the structure of the merger and the financial and other terms of the merger agreement and related documents, including the board's assessment of the adequacy of the merger consideration, not only in relation to the current market price of VIST's common stock, but also in relation to the historical, present and anticipated future operating results and financial position of VIST;

the fact that, as of January 24, 2012, the price resulting from the exchange ratio represented an 81% premium to VIST's market price as of January 23, 2012, a 28.4x multiple to last twelve months earnings, and 117% of VIST's tangible book value, and also would result in dividend accretion of 125% based on current quarterly common stock dividend rates;

the prices and premiums over book value and market value paid in other recent acquisitions of financial institutions as presented by Stifel to VIST's board of directors;

Tompkins's historical and current quarterly dividend rate as compared to VIST's historical dividend rate and the board's perception regarding the prospects for maintaining or increasing such dividends;

the proposed board and management arrangements, including Tompkins's commitment to (i) appoint two VIST directors to the Tompkins board of directors and appoint five existing VIST directors to the VIST Bank board of directors, (ii) employ

Edgar Filing: TOMPKINS FINANCIAL CORP - Form S-4

certain senior executive officers of VIST Bank after the merger and the perceived benefits to the combined institution of the continued service of persons with knowledge and experience regarding VIST's operations and its



Table of Contents

market area, and (iii) nominate two (2) members of the current VIST board of directors for election at the first annual meeting of Tompkins following the merger;

the reports of VIST's management and financial presentation by Stifel to VIST's board of directors concerning the operations, financial condition and prospects of Tompkins and the expected financial impact of the merger on the combined company;

the effects of the merger on VIST's employees and customers, including the prospects for continued employment and the severance and other benefits agreed to be provided to VIST employees;

the fact that VIST shareholders will receive shares of Tompkins common stock in the merger, which will allow VIST shareholders to participate in a portion of the future performance of the combined company's businesses and synergies resulting from the merger, and the value to VIST's shareholders represented by that consideration; and

the financial information and analyses presented by Stifel to the board of directors, and the opinion of Stifel to the effect that, as of the date of such opinion, based upon and subject to the factors and assumptions set forth in such opinion, the consideration in the proposed merger was fair to holders of VIST common stock from a financial point of view. A copy of the Stifel written opinion that was delivered to the VIST board is included as Annex B to this joint proxy statement/prospectus and described under "*Opinion of VIST's Financial Advisor*"; shareholders are encouraged to read the Stifel opinion in its entirety.

VIST's board of directors also considered certain potentially adverse factors in connection with the merger, including the following:

the potential challenges associated with obtaining the regulatory approvals required to complete the transaction in a timely manner;

the fact that certain provisions of the merger agreement prohibit VIST from soliciting, and limit its ability to respond to, proposals for alternative transactions, and the obligation to pay a termination fee in the event that the merger agreement is terminated in certain circumstances, including \$3.3 million if VIST terminates the merger agreement to accept a superior offer and \$1.5 million if VIST's shareholders fail to approve the merger at the special meeting;

the fact that pursuant to the merger agreement, VIST must generally conduct its business in the ordinary course and VIST is subject to a variety of other restrictions on the conduct of its business prior to the completion of the merger or termination of the merger agreement, which may delay or prevent VIST from undertaking business opportunities that may arise pending completion of the merger;

the risk that potential benefits and synergies sought in the merger may not be realized or may not be realized within the expected time period, and the risks associated with the integration of VIST and Tompkins;

the fact that because the consideration in the merger is a fixed exchange ratio of shares of Tompkins common stock to VIST common stock subject to adjustment within collars, VIST shareholders could be adversely affected by a significant change in the trading price of Tompkins common stock during the 20-day pricing period for determining the value of the Tompkins common stock for purposes of calculating the exchange ratio;

the potential for diversion of management and employee attention, and for employee attrition, during the period prior to the completion of the merger and the potential effect on VIST's business and relations with customers, service providers and other stakeholders, whether or not the merger is consummated; and



Table of Contents

the risks associated with ownership of shares of Tompkisn common stock, as described in the section entitled "*Risk Factors*" beginning on page .

VIST's board of directors realizes that there can be no assurance about future results, including results expected or considered in the factors listed above. The board of directors concluded, however, that the potential positive factors outweighed the potential risks of completing the merger.

During its consideration of the merger, VIST's board of directors was also aware that some of its directors and executive officers may have interests in the merger that are different from or in addition to those of shareholders generally, as described under the heading "*The Merger Interests of Certain Persons in the Merger*" beginning on page .

The foregoing discussion of the information and factors considered by VIST's board of directors is not exhaustive, but includes the material factors considered by VIST's board. In view of the wide variety of factors considered by the board of directors in connection with its evaluation of the merger and the complexity of these matters, the board of directors did not consider it practical to, and did not attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. VIST's board of directors evaluated the factors described above, including asking questions of VIST's legal and financial advisors. In considering the factors described above, individual members of VIST's board of directors may have given different weights to different factors. The board of directors relied on the experience and expertise of its legal advisors regarding the structure of the merger and the terms of the merger agreement and on the experience and expertise of its financial advisors for quantitative analysis of the financial terms of the merger. It should also be noted that this explanation of the reasoning of VIST's board of directors and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading "*Cautionary Statement Regarding Forward-Looking Statements*" on page .

#### **Recommendation of VIST's Board of Directors**

VIST's board of directors believes that the terms of the transaction are in the best interests of VIST and has unanimously approved the merger agreement. **Accordingly, VIST's board of directors unanimously recommends that VIST shareholders vote "FOR" approval and adoption of the merger agreement.**

#### **Opinion of VIST's Financial Advisor**

Stifel, Nicolaus & Company, Incorporated ("Stifel") acted as VIST's financial advisor in connection with the merger. Stifel is a nationally recognized investment banking and securities firm with membership on all the principal United States securities exchanges and substantial expertise in transactions similar to the merger. As part of its investment banking activities, Stifel is regularly engaged in the independent valuation of businesses and securities in connection with mergers, acquisitions, underwritings, sales and distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes.

On January 24, 2012, Stifel rendered its oral opinion, which was confirmed in writing, to the board of directors of VIST that, as of the date of Stifel's written opinion, the per share consideration to be received by the holders of shares of VIST common stock pursuant to the merger agreement was fair to such holders, from a financial point of view.

**The full text of Stifel's written opinion dated January 24, 2012, which sets forth the assumptions made, matters considered and limitations of the review undertaken, is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference. Holders of VIST's common stock are urged to, and should, read this opinion carefully and in its entirety in connection with this**

Table of Contents

**joint proxy statement/prospectus. The summary of the opinion of Stifel set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. The opinion of Stifel does not reflect any developments that may occur or may have occurred after the date of its opinion and prior to the completion of the merger. Stifel has no obligation to update, revise or reaffirm its opinion and VIST does not currently expect that it will request an updated opinion from Stifel.**

No limitations were imposed by VIST on the scope of Stifel's investigation or the procedures to be followed by Stifel in rendering its opinion. In arriving at its opinion, Stifel did not ascribe a specific range of values to VIST. Stifel's opinion is based on the financial and comparative analyses described below. Stifel's opinion is solely for the information of, and directed to, VIST's board of directors for its information and assistance in connection with VIST's board of directors' consideration of the financial terms of the merger and is not to be relied upon by any shareholder of VIST or Tompkins or any other person or entity. Stifel's opinion was not intended to be and did not constitute a recommendation to VIST's board of directors as to how it should vote on the merger or to any shareholder of VIST or Tompkins as to how any such shareholder should vote at any shareholders' meeting at which the merger is considered, or whether or not any shareholder of VIST should enter into a voting, shareholders' or affiliates' agreement with respect to the merger, or exercise any dissenter's or appraisal rights that may be available to such shareholder. In addition, Stifel's opinion does not compare the relative merits of the merger with any other alternative transaction or business strategy which may have been available to VIST and does not address the underlying business decision of VIST's board of directors or VIST to proceed with the merger or any aspect thereof.

In connection with its opinion, Stifel, among other things:

reviewed and analyzed a draft copy of the merger agreement dated January 23, 2012;

reviewed and analyzed the audited consolidated financial statements of VIST for the three years ended December 31, 2010 and the unaudited consolidated financial statements of VIST for the nine month period ended September 30, 2011;

reviewed and analyzed the audited consolidated financial statements of Tompkins for the three years ended December 31, 2010 and the unaudited consolidated financial statements of Tompkins for the nine month period ended September 30, 2011;

reviewed and analyzed certain other publicly available information concerning VIST and Tompkins;

held discussions with VIST's and Tompkins' senior management and advisors, including, without limitation, discussions regarding estimates of certain cost savings, operating synergies, merger charges and the pro forma financial impact of the merger on Tompkins;

reviewed certain non-publicly available information concerning VIST, including, without limitation, a review of its internal financial analyses and forecasts prepared by its management, and held discussions with VIST's senior management regarding recent developments and regulatory matters;

reviewed certain non-publicly available information concerning Tompkins, including, without limitation, a review of its internal financial analyses and forecasts prepared by its management, and held discussions with Tompkins' senior management regarding recent developments and regulatory matters;

participated in certain discussions and negotiations between representatives of VIST and Tompkins;

reviewed the reported prices and trading activity of the equity securities of VIST and Tompkins;

Table of Contents

analyzed certain publicly available information concerning the terms of selected merger and acquisition transactions considered relevant to its analysis;

reviewed and analyzed certain publicly available financial and stock market data relating to selected public companies deemed relevant to its analysis;

conducted such other financial studies, analyses and investigations and considered such other information as were deemed necessary or appropriate for purposes of its opinion; and

took into account its assessment of general economic, market and financial conditions and its experience in other transactions, as well as its experience in securities valuations and its knowledge of the banking industry generally.

In connection with its review, Stifel relied upon and assumed, without independent verification, the accuracy and completeness of all of the financial and other information that was provided to it, by or on behalf of VIST or Tompkins, or that was otherwise reviewed by Stifel and did not assume any responsibility for independently verifying any of such information. Stifel further relied upon the assurances by VIST or Tompkins that they were not aware of any facts that would make their respective information incomplete or misleading. With respect to the financial forecasts supplied to it by VIST and Tompkins (including, without limitation, potential cost savings and operating synergies realized by a potential acquirer), Stifel assumed that the forecasts were reasonably prepared on the basis reflecting the best currently available estimates and judgments of the management of VIST and Tompkins, as applicable, as to the future operating and financial performance of VIST and Tompkins, as applicable, and that they provided a reasonable basis upon which Stifel could form its opinion. Such forecasts and projections were not prepared with the expectation of public disclosure. All such projected financial information was based on numerous variables and assumptions that were inherently uncertain, including, without limitation, factors related to general economic, market and competitive conditions. Accordingly, actual results could vary significantly from those set forth in such projected financial information. Stifel relied on this projected information without independent verification or analysis and did not in any respect assume any responsibility for the accuracy or completeness thereof.

Stifel assumed that there were no material changes in the assets, liabilities, financial condition, results of operations, business or prospects of either VIST or Tompkins since the date of the last financial statements of each company made available to Stifel. Stifel also assumed, without independent verification and with VIST's consent, that the aggregate allowances for loan losses set forth in the respective financial statements of VIST and Tompkins were in the aggregate adequate to cover all such losses. Stifel did not make or obtain any independent evaluation, appraisal or physical inspection of either VIST's or Tompkins' assets or liabilities, the collateral securing any of such assets or liabilities, or the collectibility of any such assets nor did it review loan or credit files of VIST or Tompkins. Estimates of values of companies and assets do not purport to be appraisals or necessarily reflect the prices at which companies or assets could actually be sold. Because such estimates are inherently subject to uncertainty, Stifel assumed no responsibility for their accuracy. Stifel relied on advice of VIST's counsel as to certain legal matters with respect to VIST, the merger agreement and the merger and other matters contained or contemplated therein. Stifel assumed, with VIST's consent, that there were no factors that would delay, or subject to any adverse conditions, any necessary regulatory or governmental approval and that all conditions to the merger would be satisfied and not waived. In addition, Stifel assumed that the definitive merger agreement would not differ materially from the draft it reviewed. Stifel also assumed that the merger would be consummated substantially on the terms and conditions described in the merger agreement, without any waiver of material terms or conditions by VIST or any other party, and that obtaining any necessary regulatory approvals or satisfying any other conditions for consummation of the merger would not have an adverse effect on VIST or Tompkins. Stifel assumed that the merger would be consummated in a manner that complies in all respects with the applicable

Table of Contents

provisions of the Securities Act, the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and all other applicable federal and state statutes, rules and regulations.

Stifel's opinion was necessarily based solely on economic, market, monetary, financial and other conditions as they existed on, and on the information made available to Stifel as of, the date of its opinion. It is understood that subsequent developments may affect the conclusions reached in Stifel's opinion and that Stifel does not have or assume any obligation to update, revise or reaffirm its opinion.

Stifel's opinion is limited to whether the per share merger consideration is fair to the holders of VIST common stock, from a financial point of view, solely as of the date of its opinion. Stifel's opinion did not consider, address or include: (i) any other strategic alternatives (which were or may have been) contemplated by VIST's board of directors or VIST; (ii) the legal, tax or accounting consequences of the merger on VIST or the holders of VIST's common stock including, without limitation, whether or not the merger would qualify as a tax-free reorganization pursuant to Section 368 of the Internal Revenue Code; (iii) the fairness of the amount or nature of any compensation to any of VIST's officers, directors or employees, or class of such persons, relative to the compensation to the holders of VIST's securities; (iv) the treatment of, or the effect on, VIST's Series A Preferred Stock and related warrants or the holders thereof; (v) the treatment of, or effect of the merger on, VIST's Stock Options (as defined in the merger agreement), or any other class of securities of VIST other than its common stock or the holders thereof; or (vi) any advice or opinions provided by any other advisor to VIST or Tompkins. Furthermore, Stifel did not express any opinion as to the prices, trading range or volume at which Tompkins' securities would trade following public announcement or consummation of the merger.

In connection with rendering its opinion, Stifel performed a variety of financial analyses that are summarized below. Such summary does not purport to be a complete description of such analyses. Stifel believes that its analyses and the summary set forth herein must be considered as a whole and that selecting portions of such analyses and the factors considered therein, without considering all factors and analyses, could be misleading. The preparation of a fairness opinion is a complex process involving subjective judgments and is not necessarily susceptible to partial analysis or summary description. The range of valuations resulting from any particular analysis described below should not be taken to be Stifel's view of the actual value of VIST. In its analyses, Stifel made numerous assumptions with respect to industry performance, business and economic conditions, and other matters, many of which are beyond the control of VIST or Tompkins. Any estimates contained in Stifel's analyses are not necessarily indicative of actual future values or results, which may be significantly more or less favorable than suggested by such estimates. No company or transaction utilized in Stifel's analyses was identical to VIST or Tompkins or the merger. Accordingly, an analysis of the results described below is not mathematical; rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other facts that could affect the public trading value of the companies to which they are being compared. In arriving at its opinion, none of the analyses performed by Stifel were assigned a greater significance by Stifel than any other, nor does the order of analyses described represent relative importance or weight given to those analyses by Stifel. The analyses described below do not purport to be indicative of actual future results, or to reflect the prices at which VIST's or Tompkins's common stock may trade in the public markets, which may vary depending upon various factors, including changes in interest rates, dividend rates, market conditions, economic conditions and other factors that influence the price of securities.

Table of Contents

In accordance with customary investment banking practice, Stifel employed generally accepted valuation methods in reaching its opinion. The following is a summary of the material financial analyses that Stifel used in providing its opinion. Some of the summaries of financial analyses are presented in tabular format. In order to understand the financial analyses used by Stifel more fully, you should read the tables together with the text of each summary. The tables alone do not constitute a complete description of Stifel's financial analyses, including the methodologies and assumptions underlying the analyses, and if viewed in isolation could create a misleading or incomplete view of the financial analyses performed by Stifel. The summary data set forth below do not represent and should not be viewed by anyone as constituting conclusions reached by Stifel with respect to any of the analyses performed by it in connection with its opinion. Rather, Stifel made its determination as to the fairness to the shareholders of VIST of the per share merger consideration, from a financial point of view, on the basis of its experience and professional judgment after considering the results of all of the analyses performed. Accordingly, the data included in the summary tables and the corresponding imputed ranges of value for VIST should be considered as a whole and in the context of the full narrative description of all of the financial analyses set forth in the following pages, including the assumptions underlying these analyses.

In connection with rendering its opinion and based upon the terms of the draft merger agreement reviewed by it, Stifel assumed the aggregate consideration for the common stock to be \$86 million and the per share consideration to be \$12.50. Stifel noted this represented a premium of 81% over VIST's closing price of \$6.91 on January 23, 2012.

**Comparison of Selected Companies.** Stifel reviewed and compared certain multiples and ratios for the merger with a peer group of 13 selected public banking institutions of similar size, geography and asset quality. In order to calculate a range of imputed values for a share of VIST's common stock, Stifel utilized the following financial and valuation metrics in its analysis: price to tangible book value per share, price to latest 12 months earnings per share and premium over tangible book value to core deposits as of or for the quarter and twelve month period ended September 30, 2011. Market price information was as of January 23, 2012. Stifel then applied the resulting range of multiples and ratios for the peer group specified above to the appropriate financial results of VIST. This analysis resulted in a range of imputed values for VIST of between \$5.63 and \$11.69 based on the median multiples for the peer group.

Additionally, Stifel calculated the following ratios with respect to the merger and the 13 selected comparable companies:

Ratios	Tompkins / VIST Transaction	Trading Multiples for Selected Peer Group(3)(4)		
		25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile
Price Per Share/Tangible Book Value Per Share(1)	117%	63%	109%	160%
Price Per Share/Last 12 Months Earnings Per Share	28.4x	11.1x	12.8x	14.2x
Premium over Tangible Book Value/Core Deposits(2)	1.5%	(3.6)%	0.8%	6.0%

(1) For purposes of this analysis, VIST's tangible book value per share excludes the unaccreted portion of the original issue discount on its Series A Preferred Stock.

(2) Core deposits defined as total deposits less certificates of deposit with balances greater than \$100,000.

Table of Contents

(3) Market data as of January 23, 2012.

(4) Selected comparable banking institutions include ACNB Corporation, Bancorp, Inc., Bryn Mawr Bank Corporation, Center Bancorp, Inc., Citizens & Northern Corporation, CNB Financial Corporation, Codorus Valley Bancorp, Inc., Eagle Bancorp, Inc., First United Corporation, Metro Bancorp, Inc., Orrstown Financial Services, Inc., Peapack-Gladstone Financial Corporation and Uninvest Corporation of Pennsylvania.

**Analysis of Selected Bank Merger Transactions.** Stifel analyzed certain information related to two groups of recent transactions in the banking industry. The first group consisted of 17 U.S. bank holding company, bank, thrift holding company and thrift acquisitions announced between September 30, 2009 and January 23, 2012 which involved targets headquartered in New Jersey and Pennsylvania ("Regional" transaction group), excluding merger of equals and terminated transactions. The second group consisted of 11 U.S. bank holding company, bank, thrift holding company and thrift acquisitions announced between September 30, 2009 and January 23, 2012 with announced transaction values between \$50 million and \$125 million and where the target had nonperforming assets to total assets less than 4.0% at announcement ("Transaction Value and Asset Quality" transaction group), excluding merger of equals and terminated transactions.

The transactions included in the Regional transaction group were:

<b>Acquiror</b>	<b>Acquiree</b>
ESSA Bancorp, Inc.	First Star Bancorp, Inc.
Beneficial Mutual Bancorp, Inc.	SE Financial Corp.
S&T Bancorp, Inc.	Mainline Bancorp, Inc.
Susquehanna Bancshares, Inc.	Tower Bancorp, Inc.
F.N.B. Corporation	Parkvale Financial Corporation
BCB Bancorp, Inc.	Allegiance Community Bank
Ocean Shore Holding Co.	CBHC Financialcorp, Inc.
GNB Financial Services, Inc.	Herndon National Bank
Susquehanna Bancshares, Inc.	Abington Bancorp, Inc.
Norwood Financial Corp.	North Penn Bancorp, Inc.
Customers Bancorp Inc	Berkshire Bancorp, Inc.
F.N.B. Corporation	Comm Bancorp, Inc.
Kearny Financial Corp.	Central Jersey Bancorp
Bank of Princeton	MoreBank
Roma Financial Corporation	Sterling Banks, Inc.
Tower Bancorp, Inc.	First Chester County Corporation
Bryn Mawr Bank Corporation	First Keystone Financial, Inc.



Table of Contents

The transactions included in the Transaction Value and Asset Quality transaction group were:

<b>Acquiror</b>	<b>Acquiree</b>
ViewPoint Financial Group, Inc.	Highlands Bancshares, Inc.
BankUnited, Inc.	Herald National Bank
Berkshire Hills Bancorp, Inc.	Legacy Bancorp, Inc.
Community Bank System, Inc.	Wilber Corporation
Berkshire Hills Bancorp, Inc.	Rome Bancorp, Inc.
F.N.B. Corporation	Comm Bancorp, Inc.
People's United Financial, Inc.	LSB Corporation
Kearny Financial Corp.	Central Jersey Bancorp
National Australia Bank, Limited	F&M Bank-Iowa Central
Chemical Financial Corporation	O.A.K. Financial Corporation
Tower Bancorp, Inc.	First Chester County Corporation

Stifel then applied the resulting range of multiples and ratios for the comparable transaction groups specified above to the appropriate financial results of VIST. This analysis resulted in a range of imputed values for VIST common stock of between \$9.08 and \$12.79 for the Regional group and \$8.82 and \$14.39 for the Transaction Value and Asset Quality group based upon the median multiples for the selected transactions. Stifel calculated the following ratios with respect to the merger and the selected transactions:

<b>Ratios</b>	<b>Tompkins / VIST</b>	<b>Regional Group Transaction Multiples</b>		
	<b>Transaction</b>	<b>25<sup>th</sup> Percentile</b>	<b>Median</b>	<b>75<sup>th</sup> Percentile</b>
Price Per Share/Tangible Book Value Per Share(1)	117%	100%	119%	127%
Price Per Share/Last 12 Months Earnings Per Share	28.4x	17.9x	20.6x	33.4x
Premium over Tangible Book Value/Core Deposits(2)	1.5%	0.0%	1.8%	5.2%
Offer Price / One Month Prior Price(3)	91%	38%	69%	117%

- (1) For purposes of this analysis, VIST's tangible book value per share excludes the unaccreted portion of the original issue discount on its Series A Preferred Stock.
- (2) Core deposits defined as total deposits less certificates of deposit with balances greater than \$100,000.
- (3) Market data as of January 23, 2012.

Table of Contents

Ratios	Tompkins / VIST Transaction	Transaction Value and Asset Quality Group Transaction Multiples		
		25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile
Price Per Share/Tangible Book Value Per Share(1)	117%	111%	120%	136%
Price Per Share/Last 12 Months Earnings Per Share	28.4x	17.8x	20.1x	31.7x
Premium over Tangible Book Value/Core Deposits(2)	1.5%	1.7%	3.0%	6.6%
Offer Price / One Month Prior Price(3)	91%	55%	67%	88%

- (1) For purposes of this analysis, VIST's tangible book value per share excludes the unaccreted portion of the original issue discount on its Series A Preferred Stock.
- (2) Core deposits defined as total deposits less certificates of deposit with balances greater than \$100,000.
- (3) Market data as of January 23, 2012.

**Discounted Dividends Analysis.** Using a discounted dividend analysis, Stifel estimated the net present value of the future streams of after-tax cash flow that VIST could theoretically produce for dividends to common shareholders, referred to below as dividendable net income. In this analysis, Stifel assumed that VIST would perform in accordance with management's estimates and calculated assumed potential after-tax distributions to common shareholders such that VIST's tangible common equity ratio would remain 8.0% of tangible assets. Stifel calculated the range of implied values by taking the sum of (1) the assumed dividendable net income stream per share beginning in the year 2012 and continuing through 2016, and (2) the terminal value of VIST's common stock. These cash flows were then discounted to present values at assumed discount rates ranging from 15.0% to 20.0%. In calculating the terminal value of VIST's common stock, Stifel applied multiples ranging from 10.0 times to 14.0 times 2017 forecasted earnings, which assumed an 8.0% growth rate over management's 2016 earnings estimate. This discounted dividend analysis indicated an implied equity value reference range of \$5.97 to \$13.31 per share of VIST's common stock. This analysis does not purport to be indicative of actual future results and does not purport to reflect the prices at which shares of VIST's common stock may trade in the public markets. A discounted dividend analysis was included because it is a widely used valuation methodology, but the results of such methodology are highly dependent upon the numerous assumptions that must be made, including earnings and balance sheet growth rates, dividend payout rates and discount rates.

**Pro Forma Effect of the Merger.** Stifel reviewed certain estimated future operating and financial information developed by VIST and Tompkins and certain estimated future operating and financial information for the pro forma combined entity resulting from the merger. In this analysis, Stifel compared certain of VIST's estimated future per share results with such estimated figures for the pro forma combined entity. Based on this analysis on a pro forma basis, the merger is forecast to be accretive to VIST's earnings per share for the 12-month period ended December 31, 2013 and to be dilutive to VIST's book value per share and tangible book value per share as of December 31, 2011. Stifel also noted that on a pro forma basis, the merger is forecast to be accretive to the annual cash dividends per share to be received by the holders of VIST's common stock. Stifel's pro forma analysis also indicated that Tompkins would remain well capitalized under current regulatory capital definitions following the transaction. For all of the pro forma analyses, the actual results achieved following the merger may vary from projected results, and the variations may be material.

Table of Contents

As described above, Stifel's opinion was among the many factors taken into consideration by VIST's board of directors in making its determination to approve the merger. Consequently, the analyses described above should not be viewed as determinative of the views of VIST's Board or VIST's management with respect to the fairness of the per share consideration to be received by the holders of shares of VIST common stock.

Stifel acted as financial advisor to VIST in connection with the merger and will receive a fee which is contingent upon the completion of the merger. Stifel also acted as financial advisor to VIST's board of directors and received a fee upon the delivery of its opinion that was not contingent upon consummation of the merger. Stifel will not receive any other significant payment or compensation contingent upon the successful consummation of the merger. In addition, VIST agreed to indemnify Stifel for certain liabilities arising out of Stifel's engagement. Stifel has historically provided investment banking services to VIST, including acting as buy-side financial advisor in 2010 and 2011 in connection with un consummated merger transactions for which it received customary fees. Additionally, Stifel was named as sole bookrunning manager on a potential publicly underwritten offering of common equity which was initially filed in July 2011, but which was never publicly marketed and for which it received no fees. Other than the foregoing, there were no other material relationships that existed during the two years prior to the date of Stifel's opinion or that were mutually understood to be contemplated in which any compensation was received or is intended to be received as a result of the relationship between Stifel and any party to the merger. Stifel may seek to provide investment banking services to Tompkins or its affiliates in the future, for which Stifel would seek customary compensation. In the ordinary course of business, Stifel may trade VIST's or Tompkins' securities for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities.

**Merger Consideration**

The merger agreement provides that at the effective time of the merger each share of VIST common stock issued and outstanding immediately prior to the effective time will be converted into the Exchange Ratio. The Exchange Ratio is subject to adjustment based on the average of the closing price of Tompkins common stock for the 20 consecutive business days ending three days prior to the date of the VIST special meeting of shareholders, which is to be held on \_\_\_\_\_, 2012. We refer to this average price as the "Tompkins Average Closing Price." If the Tompkins Average Closing Price is greater than \$43.98, the Exchange Ratio will be adjusted and fixed at 0.2842 shares of Tompkins common stock for each VIST share of common stock, and if the Tompkins Average Closing Price is less than \$35.98, the Exchange Ratio will be adjusted and fixed at 0.3475 shares of Tompkins common stock for each VIST share of common stock. We refer to the number of shares of Tompkins common stock to be received by each VIST common stock holder as the "merger consideration."

It is important to note that the value of the merger consideration may change based on the Tompkins Average Closing Price, and we cannot predict what the value will be at the closing of the merger. The following table illustrates the effective per share value that VIST shareholders would receive for each VIST share, over a range of potential Tompkins Average Closing Prices:

	SAMPLE TOMPKINS AVERAGE CLOSING PRICES (20-DAY AVERAGE, FROM _____, 2012 TO _____, 2012)						
	\$32.00	\$35.86	\$35.87	\$39.85	\$43.84	\$43.85	\$47.82
<b>Effective Purchase Price per VIST share:</b>	\$ 11.12	\$ 12.50	\$ 11.25	\$ 12.50	\$ 13.75	\$ 12.50	\$ 13.59

The board of directors of VIST has the right, but not the obligation, to terminate the merger agreement if the average closing price of Tompkins' common stock is less than \$32.00 (as adjusted for certain capital transactions), for the 10 consecutive trading days ending on the date on which certain

Table of Contents

closing conditions to the merger have been satisfied or waived by the party entitled to enforce such condition.

Tompkins currently anticipates issuing the merger consideration to VIST shareholders using American Stock Transfer's Direct Registration program, which means that each VIST shareholder's merger consideration will initially be recorded in book entry form only on the records of Tompkins' transfer agent, American Stock Transfer, as opposed to new certificates being issued. VIST shareholders who receive Tompkins shares through the Direct Registration program may request a physical Tompkins stock certificate at no charge.

If, between the date of the merger agreement and the effective time of the merger, the shares of Tompkins common stock are changed into a different number or class of shares by reason of reclassification, split-up, combination, exchange of shares or readjustment, or a stock dividend is declared with a record date within that period, appropriate adjustments will be made to the merger consideration.

No fractional shares of Tompkins common stock will be issued to any VIST shareholders upon completion of the merger. Fractional shares of Tompkins common stock resulting from the application of the exchange ratio to a VIST shareholder's holdings of VIST common stock will be converted to the right to receive a cash payment for each such fractional share. The cash payment will equal an amount, rounded to the nearest cent and without interest, equal to the product of (i) the fraction of a share to which such holder would otherwise have been entitled and (ii) the average of the daily closing sales prices of a share of Tompkins common stock as reported on NYSE-Amex for the five consecutive trading days immediately preceding the closing of the merger.

The terms of the merger were determined by Tompkins and VIST on the basis of arm's-length negotiations.

**Material Federal Income Tax Consequences**

The following discussion addresses the material United States federal income tax consequences of the merger to a VIST shareholder who holds shares of VIST common stock as a capital asset. This discussion is based upon the Internal Revenue Code, Treasury regulations promulgated under the Internal Revenue Code, judicial authorities, published positions of the Internal Revenue Service (the "IRS") and other applicable authorities, all as in effect on the date of this discussion and all of which are subject to change (possibly with retroactive effect) and to differing interpretations. This discussion does not address all aspects of United States federal income taxation that may be relevant to VIST shareholders in light of their particular circumstances and does not address aspects of United States federal income taxation that may be applicable to VIST shareholders subject to special treatment under the Internal Revenue Code (including banks, tax-exempt organizations, insurance companies, dealers in securities, traders in securities that elect to use a mark-to-market method of accounting, investors in pass-through entities, VIST shareholders who hold their shares of VIST common stock as part of a hedge, straddle or conversion transaction, VIST shareholders who acquired their shares of VIST common stock pursuant to the exercise of employee stock options or otherwise as compensation, and holders who are not United States persons, within the meaning of Section 7701(a)(30) of the Internal Revenue Code). In addition, the discussion does not address any aspect of state, local or foreign taxation. No assurance can be given that the IRS would not assert, or that a court would not sustain a position contrary to any of the tax aspects set forth below.

VIST shareholders are encouraged to consult their tax advisors with respect to the particular United States federal, state, local and foreign tax consequences of the merger.

The closing of the merger is conditioned upon the receipt by VIST of the opinion of Stevens & Lee P.C. and the receipt by Tompkins of the opinion of Harris Beach PLLC, each dated as of the

Table of Contents

effective date of the merger, substantially to the effect that, on the basis of facts, representations and assumptions set forth or referred to in those opinions (including factual representations contained in certificates of officers of VIST and Tompkins) which are consistent with the state of facts existing as of the effective date of the merger, the merger will be treated for United States federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. The tax opinions to be delivered in connection with the merger are not binding on the IRS or the courts, and neither VIST nor Tompkins intends to request a ruling from the IRS with respect to the United States federal income tax consequences of the merger. Consequently, no assurance can be given that the IRS will not assert, or that a court would not sustain, a position contrary to any of those set forth below. In addition, if any of the facts, representations or assumptions upon which such opinions are based are inconsistent with the actual facts, the United States federal income tax consequences of the merger could be adversely affected.

Assuming that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, the discussion below sets forth the opinions of Stevens and Lee, P.C. and Harris Beach PLLC as to the material United States federal income tax consequences of the merger to VIST shareholders.

A VIST shareholder will not recognize gain or loss as a result of such shareholder's shares of VIST common stock being exchanged in the merger solely for shares of Tompkins common stock, except as described below with respect to the receipt of cash in lieu of a fractional share of Tompkins common stock. A VIST shareholder's aggregate tax basis in shares of Tompkins common stock received in the merger, including any fractional share deemed received and exchanged as described below, will equal the aggregate tax basis of the shareholder's VIST common shares surrendered in the merger. The holding period of the Tompkins common stock will include the holding period of the shares of VIST common stock surrendered in the merger.

Cash received by a VIST shareholder in lieu of a fractional share of Tompkins common stock generally will be treated as received in redemption of the fractional share, and gain or loss generally will be recognized based on the difference between the amount of cash received in lieu of the fractional share and the portion of the shareholder's aggregate adjusted tax basis of the shares of VIST common stock surrendered that is allocable to the fractional share. Such gain or loss generally will be long-term capital gain or loss if the holding period for such shares of VIST common stock is more than one year at the time of the merger. The deductibility of capital losses is subject to limitations.

**The foregoing discussion is not intended to be a complete analysis or description of all potential United States federal income tax consequences of the merger. In addition, the discussion does not address tax consequences that may vary with, or are contingent on, a VIST shareholder's individual circumstances. Moreover, the discussion does not address any non-income tax or any state, local or foreign tax consequences of the merger. Tax matters are very complicated and the tax consequences of the transaction to a VIST shareholder will depend upon the facts of his or her situation. Accordingly, VIST shareholders are strongly encouraged to consult with their tax advisors to determine the particular United States federal, state, local and foreign income and other tax consequences to them of the merger.**

**Employee Benefit Plans**

*Employee Benefit Plans.* Tompkins may maintain, terminate or continue any or all of VIST's benefit plans. Tompkins will generally provide VIST employees with compensation and benefits that are, in the aggregate, substantially similar to the compensation and benefits provided to similarly situated employees of Tompkins. VIST employees who become participants in any Tompkins benefit plan will, except as otherwise described below, be given credit for service as an employee of VIST for purposes of determining eligibility and for any applicable vesting periods of such employee benefits.

Table of Contents

However, credit for prior service shall not be given for any purpose under the Tompkins Defined Contribution Retirement Plan, the Tompkins Employee Stock Ownership Plan, and the profit-sharing component of the Tompkins Investment & Stock Ownership Plan. Service credit for benefit accrual purposes will be given only for purposes of Tompkins vacation policies or programs and for purposes of the calculation of severance benefits under any severance compensation plan of Tompkins. After the effective date of the merger, Tompkins may elect not to provide to employees of VIST and its subsidiaries any benefits that are not then provided by Tompkins or its subsidiaries to their own employees, notwithstanding that such benefits were provided to VIST employees immediately prior to the effective date of the merger.

*401(k) Plan.* Following the merger, eligible VIST employees will be able to participate in Tompkins' 401(k) plan and, at such time, Tompkins will amend VIST's 401(k) plan to freeze participation and contributions under the VIST plan. Tompkins will maintain the individual participant accounts under the VIST 401(k) plan until such time as the VIST 401(k) plan is merged with and into the applicable Tompkins 401(k) plan in accordance with the requirements of Internal Revenue Code Section 414(1).

*Employee Stock Purchase Plan.* Pursuant to the terms of the merger agreement, since the date of the merger agreement no participant in VIST's Employee Stock Purchase Plan ("ESPP") has been permitted to increase the rate of payroll deductions to the ESPP. Additionally, upon the closing of the merger, the ESPP will be terminated.

*Dividend Reinvestment Plan.* VIST has suspended the acceptance of dividends and other contributions of participants in its Dividend Reinvestment and Stock Purchase Plan ("DRIP"). In addition, prior to the effective time of the merger, VIST will terminate its DRIP and distribute all shares of VIST common stock and the value of all cash held in a participant's account in accordance with the terms of the DRIP.

*Employment Agreements, Incentive Plans and Deferred Compensation Agreements.* Tompkins has agreed to honor the terms of all employment, consulting and change in control agreements, including provisions relating to incentive payments, which were disclosed to Tompkins prior to the execution of the merger agreement. Pursuant to the terms of the merger agreement, any bonus or incentive plan adopted, continued or implemented by VIST for services performed on or after January 1, 2012 will be administered on terms mutually agreeable to VIST and Tompkins. Tompkins has agreed that, pending closing of the merger, VIST may continue to administer the incentive programs which were disclosed in the merger agreement, with appropriate adjustments to take into account the circumstances of the merger. However, the aggregate amount of payments and grants under VIST bonus and incentive payments cannot exceed an agreed-upon amount, and must be allocated reasonably among VIST employees in accordance with past practice. Tompkins is also entitled to prior notice of such incentive payments or equity grants.

*Retention Bonuses.* Pursuant to the terms of the merger agreement, Tompkins and VIST have agreed to pay out certain retention bonuses to selected employees of VIST and its subsidiaries who remain employed through certain dates following the effective date of the merger.