

TRUSTCO BANK CORP N Y
Form S-3
March 31, 2014
Registration No. 333

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

FORM S-3
REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933

TRUSTCO BANK CORP NY
(Exact Name of Registrant as Specified in Its Charter)

NEW YORK 14-1630287
(State of Incorporation) (I.R.S. Employer Identification Number)

5 SARNOWSKI DRIVE
GLENVILLE, NEW YORK 12302
(518) 377-3311
(Address, Including ZIP Code, and Telephone Number, Including
Area Code, of Registrant's Principal Executive Offices)

Robert M. Leonard	with copies to
Secretary	Leonard J. Essig
TrustCo Bank Corp NY	Lewis, Rice & Fingersh, L.C.
5 Sarnowski Drive	600 Washington Ave., Suite 2500
Glenville, New York 12302	St. Louis, Missouri 63101
(518) 381-3680	(314) 444-7600

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

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. "

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

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(c) 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. o

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. "

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. "

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.

Large accelerated filer "

Accelerated filer x

Non-accelerated filer " (Do not check if a smaller reporting company) Smaller reporting company "

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount To Be Registered(1)	Proposed Maximum Offering Price Per Unit(2)	Proposed Maximum Aggregate Offering Price	Amount Of Registration Fee(3)
Common Stock Par Value \$1.00	10,278,661	\$ 7.135	\$73,338,246	\$ 9,445.97

(1) The securities registered hereunder include securities issued pursuant to the terms of the TrustCo Bank Corp NY Dividend Reinvestment and Stock Purchase Plan that provide for adjustments in the amount of securities being issued to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(2) Pursuant to Rule 457(c), represents the average of the high and low reported prices for the Registrant's common stock as quoted on the Nasdaq Global Select Market on March 25, 2014, such date being a date within five business days prior to the date of filing of this Registration Statement.

(3) Pursuant to Rule 415(a)(6) under the Securities Act, all 10,278,661 shares of the common stock of TrustCo Bank Corp NY registered hereunder are unsold securities previously registered on Registration Statement No. 333-172568 filed on March 2, 2011 (the "Prior Registration Statement"). Pursuant to Rule 415(a)(6) under the Securities Act, the \$8,275.61 filing fee previously paid in connection with such unsold securities will continue to be applied to such unsold securities. In accordance with Rule 415(a)(6), the offering of securities on the Prior Registration Statement will be deemed terminated as of the effective date of this registration statement. Pursuant to Rule 457(p), the filing fee paid pursuant to the Prior Registration Statement offsets a like amount of the \$9,445.97 payable pursuant to this registration statement. The remaining balance of the filing fee, \$1,170.36, has been paid in connection with this registration statement.

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 the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this 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 prospectus is not an offer to sell these securities, and it is not soliciting offers to buy these securities, in any state where such offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MARCH 31, 2014

PRELIMINARY PROSPECTUS

TRUSTCO BANK CORP NY

Dividend Reinvestment and Stock Purchase Plan

10,278,661 Shares of Common Stock

This Prospectus describes the Dividend Reinvestment and Stock Purchase Plan of TrustCo Bank Corp NY (the “Plan”), which provides participants with a convenient and simple method of investing cash dividends and optional cash payments.

If you are or become a participant in the Plan, you may automatically reinvest, into additional shares of our common stock, cash dividends on your existing shares of our common stock. You may also make cash payments for the purchase of additional shares of common stock, and new investors may make their initial investment in our common stock under the Plan. The minimum initial purchase is \$50; the minimum amount of subsequent optional cash purchases is \$25. The maximum limit for both initial and optional cash purchases is \$50,000 per calendar month, unless we grant a waiver of this amount. This prospectus describes the procedures by which you may request a waiver.

Your participation in the Plan is entirely voluntary, and you may terminate your participation at any time. Shares of common stock will be either purchased directly from us out of authorized but unissued shares or treasury shares or purchased on the open market.

Our transfer agent, Registrar and Transfer Company, will serve as the administrator of the Plan. You may enroll in the Plan by completing and signing an Authorization Form, which can be obtained by calling Registrar and Transfer Company at 800-368-5948 (toll free) and which is also available online at www.rtco.com/trustco.

Our principal executive office is located at 5 Sarnowski Drive, Glenville, New York 12302, and our telephone number is (518) 377-3311. Our common stock is listed on the Nasdaq Global Select Market under the symbol “TRST.” We suggest that you retain this Prospectus for future reference. References to “we,” “us” or “our” refer to TrustCo and our directly or indirectly owned subsidiaries, unless the context otherwise requires.

Investing in our shares of common stock involves risks. You should consider certain risk factors before enrolling in the Plan. See “Risk Factors” beginning on page of this prospectus and the documents incorporated herein by reference for more information.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The shares offered are our equity securities and are not savings accounts, deposits or other obligations of any bank subsidiary of ours and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

The date of this Prospectus is _____, 2014.

Table of Contents

	<u>Page</u>
<u>ABOUT THIS PROSPECTUS</u>	1
<u>SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS</u>	1
<u>RISK FACTORS</u>	2
<u>THE DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN</u>	3
<u>PLAN OF DISTRIBUTION</u>	15
<u>USE OF PROCEEDS</u>	15
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	15
<u>LEGAL MATTERS</u>	16
<u>EXPERTS</u>	16
<u>INDEMNIFICATION</u>	17

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission (the “SEC”) relating to the shares of our common stock to be offered and sold pursuant to the Plan. This prospectus, which does not include all of the information contained in the registration statement, provides you with a general description of the Plan and the securities offered under the Plan. The registration statement containing this prospectus, including exhibits to the registration statement, provides additional information about us, the Plan and the securities offered. The registration statement can be read at the SEC web site or at the SEC offices mentioned under the heading “Where You Can Find More Information.”

When acquiring any securities discussed in this prospectus, you should rely only on the information provided in this prospectus, including the information incorporated by reference. We have not authorized anyone to provide you with different information. We are not offering the securities in any state or jurisdiction where the offer is prohibited. You should not assume that the information in this prospectus or any document incorporated by reference is accurate or complete at any date other than the date indicated on the cover page of this document.

SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS

This prospectus and the documents we incorporate by reference in this prospectus may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These statements can sometimes be identified by the use of forward-looking words such as “may,” “will,” “should,” “could,” “expects,” “intends,” “anticipates,” “believes,” “estimate,” “potential” or “continue,” or the negative of these terms or other comparable terminology. The matters addressed by forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical earnings and those presently anticipated or projected. We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. The following important factors, among others, in some cases have affected and in the future could affect our actual results and could cause our actual financial performance to differ materially from that expressed in any forward-looking statement:

• our ability to continue to originate a significant volume of one-to-four family mortgage loans in its market areas;

• our ability to continue to maintain noninterest expense and other overhead costs at reasonable levels relative to income;

• the future earnings and capital levels of Trustco Bank and the continued non-objection by our and Trustco Bank’s primary federal banking regulators, to the extent required, to distribute capital from Trustco Bank to us, which could affect our ability to pay dividends;

• our ability to make accurate assumptions and judgments regarding the credit risks associated with its lending and investing activities, including changes in the level and direction of loan delinquencies and charge-offs, changes in property values, and changes in estimates of the adequacy of the allowance for loan losses;

Table of Contents

the effect of changes in financial services laws and regulations (including laws concerning taxation, banking and securities) and the impact of other governmental initiatives affecting the financial services industry;

results of examinations of Trustco Bank and the Company by their respective primary federal banking regulators, including the possibility that the regulators may, among other things, require us to increase our loss allowances or to take other actions that reduce capital or income;

the effects of and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the Board of Governors of the Federal Reserve System, inflation, interest rates, market and monetary fluctuations;

the perceived overall value of our products and services by users, including the features, pricing and quality compared to competitors' products and services and the willingness of current and prospective customers to substitute competitors' products and services for our products and services;

real estate and collateral values,

changes in accounting policies and practices, as may be adopted by the bank regulatory agencies Financial Accounting Standards Board or the Public Company Accounting Oversight Board;

technological changes;

changes in local market areas and general business and economic trends, as well as changes in consumer spending and saving habits;

our success at managing the risks involved in the foregoing and managing its business; and

other risks and uncertainties included under "Risk Factors" in our annual report on Form 10-K for the year ended December 31, 2013 and in our subsequent quarterly reports on Form 10-Q.

The foregoing list should not be construed as exhaustive, and we disclaim any obligation to subsequently revise any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

RISK FACTORS

Investing in our common stock involves a degree of risk. You should carefully review the risks and uncertainties described in our most recent Annual Report on Form 10-K, as updated by any subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K that we have filed or will file with the SEC and that are incorporated by reference into this prospectus. The risks described in these documents are not the only ones we face, but those that we currently consider to be material. There may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. Please also read carefully the section above entitled "Special Note About Forward-Looking Statements."

Table of Contents

THE DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

The following questions and answers state the terms of our Dividend Reinvestment and Stock Purchase Plan and explain how the Plan operates. In the Plan we may refer to our current shareholders and new investors who participate in the Plan as “participants.” Unless the context requires otherwise, all references to “our stock” and similar expressions in this prospectus refer to TrustCo Bank Corp NY common stock.

1. What is a Dividend Reinvestment and Stock Purchase Plan?

A Dividend Reinvestment and Stock Purchase Plan is a method of investment in the securities of a company that uses the cash dividends paid to you by the company to invest in more shares of that company. Since dividend reinvestment plans also allow for holding fractional shares (less than one share), all or part of your dividend payment can be put to use efficiently and economically.

Other advantages of our Plan are the options to make cash payments into your Plan account to purchase additional shares and to make your first purchase of our shares through the Plan. If you participate in our Plan, you, as a shareholder, have all the same rights as you would have if you held the shares in a brokerage account or in certificate form. You will be paid all stock dividends or splits and receive proxies and annual tax information. Using our Plan also means you do not have to worry about losing certificates and the expense of replacing them if they become lost.

The Plan is designed for long-term investors who wish to invest and build their share ownership over time and is not intended to provide holders of common stock with a mechanism for generating assured short-term profits through rapid turnover of shares acquired at a discount. The Plan’s intended purpose precludes any person, organization or other entity from establishing a series of related accounts for the purpose of conducting arbitrage operations or exceeding the optional monthly cash investment limit. We reserve the right to modify, suspend or terminate participation by a shareholder who is using the Plan for purposes inconsistent with its intended purpose.

2. Who is eligible to participate?

Any person is eligible to participate in the Plan, although you must become a shareholder of record of TrustCo in order to participate in the dividend reinvestment component of the Plan. If you do not own any shares of our common stock, you may enroll by making an initial purchase of shares directly through the Plan. To receive an Authorization Form to enroll in the Plan, or to receive additional copies of this prospectus, contact Registrar and Transfer Company (or “R&T”), the Plan’s administrator. Information on how to contact Registrar and Transfer Company is set forth in the response to Questions 4 and 5 below.

3. May I participate in the Plan if my shares are registered in “street” name?

If your shares of common stock are registered in the name of a broker or nominee (“street name”), you must either have shares of common stock transferred to your own name in order to participate in the Plan or you may follow the procedures described below for making your initial purchases of our stock through the Plan.

Table of Contents

4. How do I participate in the Plan?

You may join the Plan at any time.

If you already are a shareholder of record, you may join the Plan by completing and signing an Authorization Form, which can be obtained by calling Registrar and Transfer Company at 800-368-5948 (toll free) and which also is available online at www.rtc.com/trustco. The form must then be mailed to R&T at the address provided below (see Question 5).

If you are not an existing shareholder of record, you may join the Plan by completing and signing an Authorization Form, which can be obtained by calling Registrar and Transfer Company at 800-368-5948 (toll free) and which is also available online at www.rtc.com/trustco. The form must then be mailed to R&T at the address provided below (see Question 5); enclose a check made payable to Registrar and Transfer Company for the amount of your investment. The minimum initial investment is \$50. Once you are a shareholder, the minimum purchase amount is \$25.

If your completed Authorization Form is received, and shares in your account are held, by Registrar and Transfer Company by the next record date for the payment of dividends, then the dividends payable on your shares of common stock will be used to purchase additional shares of common stock.

If the completed Authorization Form is not received by Registrar and Transfer Company by the next record date for the payment of dividends, and if any shares of our common stock are not properly recorded in your Plan account by that date, the automatic reinvestment of your dividends will not start until the next following dividend payment is made by us. The record dates for payment of dividends on the shares of common stock are usually early in December, March, June and September and the corresponding dividends are paid early in January, April, July and October. Thus, for example, if your completed Authorization Form and shares are not received by the administrator by the record date for the January dividend, the automatic reinvestment of dividends will not begin until the April dividend.

Any optional cash payments submitted by you, whether as an initial investment or a subsequent investment, will, upon completion of your enrollment in the Plan, be invested as described in Question 11.

5. Who administers the Plan?

The Plan is administered by Registrar and Transfer Company, which performs many of the ministerial tasks required in connection with the Plan, such as

- holding shares of common stock for the Plan in its name or the name of its nominee;
- corresponding with Plan participants;
- distributing the Plan prospectus, Authorization Forms, and other documents;
- maintaining accounts for participants;
- providing statements of account to participants on a regular basis;
- effecting stock and cash withdrawals by participants and terminations by participants;
- processing proxy materials for shares of common stock held under the Plan;
- collecting and holding voluntary cash payments by participants and

Table of Contents

if purchases are to be made on the open market, funding such trades to the broker who will effect the purchases.

All transaction requests and inquiries should be sent to:

Registrar and Transfer Company
Dividend Reinvestment Plan Department
P.O. Box 664
Cranford, NJ 07016

or

www.rtco.com/trustco

or

1-800-368-5948

6. What does it cost to participate?

Your costs for participating in the Plan are as follows:

If shares of our common stock are purchased directly from us, you will not be charged any brokerage commissions, service charges or other fees.

If shares of our common stock are purchased on behalf of the Plan in open-market transactions, you will be charged any brokerage commissions, service charges or other fees incurred by the Plan's administrator or agent with respect to the purchases. The decision regarding whether shares of our stock will be purchased directly from us or on the open market will be made by us in our sole discretion.

If you sell your shares of common stock through the Plan, you will be charged any brokerage commissions, service charges or other fees incurred in connection with the sale, plus a \$15 fee. Please note that if the proceeds of your sale would be greater than \$10,000, your sale instructions must be delivered in writing to Registrar and Transfer Company, and your signature on those instructions must be guaranteed as described in Question 18.

Inquiries by you or on your behalf that require our personnel to research non-current records (such as requests for prior year account statements) will be subject to a research charge at a rate of \$25 per hour. Research time will be recorded in fifteen minute increments.

The specific amount of any brokerage commissions, service charges or other fees incurred in connection with transactions in your account is available upon request from Registrar and Transfer Company.

The fee structure is subject to change. If there are changes in the fee structure, we will notify participants in advance of the effective date of the changes.

7. How does the reinvestment process work?

As a participant in the Plan, you may elect to reinvest all, part, or none of the dividends paid on your TrustCo common stock. Your preference should be indicated on the Authorization Form. If you complete and return an Authorization Form without selecting one of these three options, all of your dividends will be automatically reinvested in our common stock.

Table of Contents

Full dividend reinvestment: If you select this option, all of the cash dividends paid on the shares you enroll in the Plan will automatically be reinvested to purchase additional shares of our common stock.

Partial dividend reinvestment: If you select this option, a portion of your cash dividends will be paid to you in cash, and the remaining portion of your dividends will be automatically reinvested to purchase additional shares of our common stock. If you choose partial reinvestment, you must specify on the Authorization Form the number of whole shares on which you wish to continue to receive cash dividends by check or to have directly deposited into your designated checking or savings account, as further described below. The remaining dividends will be automatically reinvested.

No dividend reinvestment: If you select this option, all of your dividends will be paid to you in cash. You may choose to have your cash dividends directly deposited into your designated checking or savings account or sent to you by check.

To arrange to have your dividends directly deposited into your designated bank account, you must complete and return a direct deposit authorization form. The form is available from the Plan administrator and on the administrator's website.

8. How can I make initial or optional cash purchases?

New investors may make an initial cash purchase when enrolling in the Plan by enclosing a check with their Authorization Form, or by authorizing an automatic debit or wire transfer from a designated bank account when enrolling online at the Plan administrator's website. The minimum initial investment is \$50.

As a Plan participant, you may also make optional cash purchases of our common stock. The minimum cash purchase accepted per transaction (after your initial enrollment) is \$25, and you may make purchases up to a maximum of \$50,000 per calendar month unless we grant you a waiver of this amount. The purchase, less any brokerage commissions, service charges or other fees as set forth in Question 6, will be applied toward the purchase of shares for your account as promptly as practicable, usually within five business days upon receipt of funds by the administrator.

Your cash purchases may be commingled by the Plan administrator with dividends and with other participants' cash purchases for the purpose of buying shares of common stock. You cannot specify the prices or timing of purchases, nor can you make any other limitations on the purchase of shares other than those specified under these terms and conditions. No interest will be paid on optional cash purchases pending investment.

If you choose to submit a check, be sure to use the contribution form that appears on your Plan statement, and mail it to the address specified on the form. Your check should be made payable to Registrar and Transfer Company and must be in U.S. dollars and drawn on a financial institution located in the United States. Alternatively, if you wish to make regular monthly purchases, you may authorize automatic deductions from your bank account. This feature enables you to make ongoing investments in an amount that is comfortable for you, without having to write a check. You also may authorize individual debits or wire transfers from your bank account.

9. What is the price of shares purchased from TrustCo?

Except for shares acquired from us pursuant to a waiver request described in Questions 13 and 14, the Plan's purchase of shares of common stock from us, whether out of treasury shares or authorized but unissued shares, will be at a price equal to the average of the high and low prices for shares of our common stock on the applicable purchase date (see Question 11), as reported on the Nasdaq Global Select Market. If the applicable purchase date is not a trading day for Nasdaq market makers, the prices on the next preceding trading day will be used to determine the purchase price. A "trading day" is any day on which trades are reported on the Nasdaq Global Select Market.

Table of Contents

10. What is the price of shares purchased on the open market?

The price per share for all shares purchased in the open market to satisfy any Plan requirements will be the weighted average of all shares purchased for the Plan on the applicable purchase date. The purchase price shown on participant account statements will include, as noted in Question 6, any brokerage commission, service charges, or other fees paid by the Plan's administrator or agent with respect to the purchase.

With respect to shares purchased on the open market, the Plan administrator may select one or more agents to assist it in purchasing our shares on the open market, including a brokerage firm that may have other business relationships with us. These agents will receive brokerage commissions on such purchases.

11. When are purchases made?

Purchases with reinvested dividends will be made on, or as soon as possible after, each dividend payment date, which have typically been in early January, April, July, and October. All purchases on the open market will be made as soon as possible after dividends and/or cash payments have been received by the administrator. Purchases with the proceeds of cash contributions will be made as promptly as practicable upon receipt of the contributions. We have no control over the times or prices at which agents for the purchase of our shares under the plan may acquire shares on the open market. Therefore, you will not be able to precisely time your purchases through the Plan, and you will bear the market risk associated with fluctuations in the price of our common stock. More specifically, if you send in an initial or optional investment, it is possible that the price of our common stock could go up or down before purchases are made for your account, and you will bear the market risk for such fluctuations. In addition, you will not earn interest on initial or optional investments before the shares are purchased.

12. How many shares of common stock are purchased for me?

The number of shares of common stock purchased for you will depend on the amount of your cash dividend on your previously owned shares of common stock in those months in which a dividend has been declared, the amount of your initial or optional cash payments, if any, and the purchase price of the shares of common stock. Your account will be credited with that number of shares of common stock, including fractions computed to four decimal places, equal to the total amount invested by you plus the amount of dividends paid on shares of common stock allocated to your Plan account, minus the amount of any dividends you elect to receive in cash and minus the amount of any applicable expenses, divided by the applicable purchase price per share of common stock.

13. What limitations apply to optional cash investments?

Minimum/Maximum Limits. Optional cash investments are subject to a \$25 minimum per month; we reserve the right to refuse to accept any optional cash investment in excess of \$50,000 per month from any participant or any related or associated group of participants. Optional cash investments of less than \$25 and that portion of any optional cash investment that exceeds the \$50,000 monthly purchase limit, unless such limit has been waived, are subject to return to the participant, without interest. We reserve the right to waive such limits on optional cash investments in our sole discretion.

Table of Contents

Optional Cash Investments in Excess of \$50,000. Optional cash investments in excess of \$50,000 per month may only be made pursuant to a written request for waiver that is approved by us. We expect to consider waiver requests from financial intermediaries, including brokers and dealers, and other participants from time to time. There is no pre-established maximum limit applicable to optional cash investments that may be made pursuant to an approved waiver request. We will grant or deny waiver requests in our sole discretion based on a variety of factors, which may include our current and projected capital needs, prevailing market prices of our common stock, the attractiveness of obtaining funds by the sale of common stock relative to other sources of capital, the participant who has submitted the waiver request, the past actions of a participant under the Plan, the aggregate amount of investments for which such waivers have been submitted, the administrative constraints associated with granting such waivers and general economic and market conditions. If waiver requests are submitted for an aggregate amount in excess of the amount we are then willing to accept, we may honor such requests in order of receipt, pro rata or by any other method that we determine to be appropriate. We may determine, in our discretion, the maximum amount that an existing shareholder or new investor may invest pursuant to the Plan or the maximum number of shares that may be purchased pursuant to a request for waiver. We will not grant waiver requests under the Plan from members of our board of directors or executive officers.

Procedure for Waiver Requests. If you wish to make optional cash investments in excess of \$50,000 in any month or an initial investment in excess of \$50,000, you must receive our written approval. We will post information regarding whether we will consider waiver requests with respect to a given calendar month through our website, www.trustcobank.com, under the “Investor Relations” tab, then on the Stock Purchase Program page. To obtain our written approval, you must submit a waiver request form, which you can obtain via the Stock Purchase Program web page. The request for waiver form must be submitted to us in accordance with the instructions contained in the form. If we approve your request for waiver, we or the administrator will notify you promptly, and we or the administrator will also provide you with details regarding the terms of the waiver as so approved and instructions for funds transfer to the Plan administrator. Funds on all approved waiver requests must be received by us by the deadline specified in the waiver request form or the waiver approval will lapse.

14. What is the price I will pay for cash investments of more than \$50,000?

Investments for which a waiver has been granted will be made subject to a “pricing period,” which will generally consist of one to fifteen separate days during which trading of our common stock is reported on the Nasdaq Global Select Market. Each of these separate days will be an “investment date,” and an equal proportion of the investment amount will be invested on each such day during such pricing period, subject to the qualifications listed below. The purchase price for shares acquired from us by a participant on a particular investment date will be the volume-weighted average price (less any applicable discount), rounded to four decimal places, of our common stock as reported by the Nasdaq Global Select Market only, obtained from Bloomberg, LP (unless such service is unavailable, in which case we will designate another service to be utilized before the beginning of the pricing period) for the trading hours from 9:30 a.m. to 4:00 p.m., eastern time, for that investment date. Funds for such investments must be received by the Administrator not later than the business day before the first day of the pricing period. In our discretion, however, shares of our common stock to be acquired pursuant to a waiver request may be purchased on behalf of the Plan in open-market transactions. Such purchases will be subject to the brokerage commissions, service charges or other fees described in Question 6 and, notwithstanding the above description of the purchase price calculation, the purchase price for such shares will be the weighted average of all shares purchased for the Plan on the applicable purchase date. Please refer to Question 10 for additional information on the purchase price under such circumstances.

Table of Contents

We may offer discounts with respect to shares acquired from us (and not purchased in open-market transactions as described in the preceding paragraph) pursuant to a waiver request. Any discount will be established at our sole discretion after a review of current market conditions, the level of participation in the Plan, the attractiveness of obtaining additional funds through the sale of our common shares as compared to other sources of funds and our need for additional funds. We will post information regarding current discounts, if any, on our website, www.trustcobank.com, under the “Investor Relations” tab, then on the Stock Purchase Program page. Setting a discount for a particular period will not affect the setting of a waiver discount for any subsequent period.

We may establish a minimum, or “threshold,” price for any pricing period that the volume-weighted average price, rounded to four decimal places, of our common stock must equal or exceed during each trading day of the pricing period for investments made pursuant to a waiver request. If we decide to establish a threshold price for a particular pricing period, the threshold price for any investments made pursuant to a request for waiver will be a stated dollar amount that the volume-weighted average price, rounded to four decimal places, of our common stock, as reported by the Nasdaq Global Select Market for each trading day in the relevant pricing period, must equal or exceed. If the threshold price is not satisfied for a trading day in the pricing period, then that trading day and the trading prices for that day will be excluded from the pricing period.

We will only establish a threshold price if shares will be purchased directly from us in connection with the relevant pricing period. If we have established a threshold price with respect to the relevant pricing period, then we will exclude from the pricing period any trading day that the volume-weighted average price is less than the threshold price and refund that day’s proportional investment amount. For example, if the threshold price is not met for two of the trading days in a ten-day pricing period, then we will return 20% of the funds you submitted in connection with your waiver request, without interest, unless we have activated the pricing period extension feature for the pricing period, as described below.

Neither we nor the Plan administrator are required to notify you that a threshold price has been established for any pricing period.

We may elect to activate for any particular pricing period a pricing period extension feature, which will provide that the initial pricing period be extended by the number of days that the threshold price is not satisfied, subject to a maximum of five trading days. If we elect to activate the pricing period extension feature and the threshold price is satisfied for any additional day that has been added to the initial pricing period, that day will be included as one of the trading days for the pricing period instead of the day on which the threshold price was not met. For example, if the determined pricing period is ten days, and the threshold price is not satisfied for three out of those ten days in the initial pricing period, and we had previously announced in the waiver request form that the pricing period extension feature was activated, then the pricing period will be automatically extended, and if the threshold price is satisfied on the next three trading days (or a subset thereof), then those three days (or subset thereof) will become investment dates in lieu of the three days on which the threshold price was not met. As a result, because there were ten trading days during the initial and extended pricing period on which the threshold price was satisfied, all of the funds that you include with your request for waiver will be invested.

Newly issued shares purchased pursuant to a request for waiver will be posted to participants’ accounts within three business days following the end of the applicable pricing period, or, if we elect to activate the continuous settlement feature, within three business days of each separate investment date beginning on the first investment date in the relevant pricing period and ending on the final investment date in the relevant pricing period, with an equal amount being invested on each day, subject to the qualifications set forth above. Unless otherwise indicated by us via our website (which you may access as described above), we anticipate completing waiver purchases on a “continuous settlement” basis.

Table of Contents

The purchase price of shares acquired on each investment date will be equal to the volume-weighted average price obtained from Bloomberg, LP (unless such service is unavailable, in which case we will designate another service to be utilized before the beginning of the pricing period), rounded to four decimal places, for the trading hours from 9:30 a.m. to 4:00 p.m., eastern time, for each of the investment dates during the pricing period, assuming the threshold price is met on that day, less any discount that we may decide to offer. For each pricing period (assuming the threshold price is met on each trading day of that pricing period), we would have a separate settlement of each investment dates' purchases, each based on the volume-weighted average price for the trading day relating to each of the investment dates during the pricing period.

15. Will stock certificates be issued for shares held under the Plan?

Normally, certificates for shares of common stock purchased under the Plan will not be issued in your name but will be registered in the name of Registrar and Transfer Company, as the Plan administrator, or its nominee and held for your benefit and credited to your Plan account. Upon your request to the administrator, however, certificates for any number of whole shares of common stock credited to your Plan account will be registered in your name ("participant name registration") and a certificate for such shares of common stock will be issued to you. A participant name registration will not be permitted for fractional shares of common stock held in your account. Any such fractional share, as well as any whole shares of common stock as to which a participant name registration is not requested, will continue to be credited to your Plan account and all dividends on the fractional and whole shares of common stock will continue to be reinvested in the Plan. Dividends on all shares of common stock as to which participant name registration is requested will continue to be reinvested in the Plan unless you request to withdraw from participation in the Plan (see Question 18). You may also process your request for issuance online at www.rtc.com/trustco. You may not pledge or assign shares of common stock credited to your account under the Plan and registered in the name of the administrator or its nominee. If you wish to pledge or assign such shares of common stock, you must request participant name registration for the shares.

16. What kind of reports will I receive?

As soon as practicable after each transaction, you will receive a statement with information about your Plan account, including amounts invested, the purchase and/or sales prices and the number of shares purchased and/or sold. This statement will provide a record of purchases and sales transacted on your behalf under the Plan, and you should retain it for income tax purposes. As soon as practicable after the completion of each calendar quarter, the Plan administrator will mail to you a statement indicating the amount invested and the price per share of common stock, the number of shares of common stock purchased and the total number of shares of common stock held in your account. In addition, as a TrustCo shareholder, you also will receive various communications, including our annual report to shareholders, notices of shareholder meetings, proxy statements and information for income tax reporting.