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Financial Institutions, Inc. Announces Agreement to Acquire Landmark Group

- Rochester, New York Insurance brokerage firm will be acquired by SDN Insurance Agency, Financial Institutions' insurance subsidiary
- Landmark principals Kelly M. Shea and Christopher K. Shea will remain with SDN Insurance to lead Rochester operations and manage Landmark accounts

WARSAW, N.Y., Dec. 07, 2020 (GLOBE NEWSWIRE) -- Financial Institutions, Inc. (NASDAQ:[FISI](#)) (the "Company"), parent company of Five Star Bank (the "Bank"), SDN Insurance Agency, LLC ("SDN"), Courier Capital, LLC ("Courier Capital") and HNP Capital, LLC ("HNP Capital"), today announced a definitive agreement for the acquisition of the assets of Landmark Group ("Landmark") by the Company's insurance subsidiary SDN.

A staple of the Rochester community since 1984, Landmark is an independent insurance brokerage firm delivering insurance, surety and risk management solutions across many business sectors including construction, manufacturing, real estate and technology, as well as individual personal insurance. Landmark Founder and Chairman Kelly M. Shea and President Christopher K. Shea will remain with SDN after the transaction closes to lead SDN's Rochester operations and continue their long-term relationship with current clients.

"This acquisition demonstrates our continued commitment to the growth and diversification of noninterest income through the expansion of our insurance business in the Rochester/Finger Lakes region," said Martin K. Birmingham, President and Chief Executive Officer of the Company. "Kelly and Chris Shea are highly-respected business and community leaders in greater Rochester and we look forward to working with them as they continue to manage and enhance their strong client relationships while also building momentum for this line of business in an important growth market. We welcome them and their team to our organization."

"Kel and I are thrilled to be joining Five Star," said Chris Shea, President of Landmark Group. "It's clear that the values of Five Star are in alignment with our strong commitment to providing our clients with innovative and comprehensive risk management solutions. We are looking forward to working with our new Five Star partners to further strengthen existing client relationships by leveraging banking, insurance, and investment services."

The transaction is subject to typical conditions to closing and is expected to be completed in the first quarter of 2021.

Safe Harbor Statement

This press release may contain forward-looking statements as defined by Section 21E of the Securities Exchange Act of 1934, as amended, that involve significant risks and uncertainties. In this context, forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "estimate," "forecast," "target," "preliminary," or "range." Statements herein are based on certain assumptions and analyses by the Company and factors it believes are appropriate in the circumstances. Actual results could differ materially from those contained in or implied by such statements for a variety of reasons including, but not limited to: the Company's ability to complete the acquisition of Landmark Group's assets, the Company's ability to complete the exchange of subordinated notes recently sold in a private placement for registered notes, the impact of the COVID-19 pandemic on the Company's customers, business, and results of operations as well as the economy in Western New York and the United States, the Company's ability to successfully integrate and profitably operate Landmark Group and other acquisitions, the Company's ability to implement its strategic plan, whether the Company experiences greater credit losses than expected, whether the Company experiences breaches of its, or third party, information systems, the attitudes and preferences of the Company's customers, the competitive environment, fluctuations in the fair value of securities in its investment portfolio, changes in the regulatory environment and the Company's compliance with regulatory requirements, changes in interest rates, and general economic and credit market conditions nationally and regionally. Consequently, all forward-looking statements made herein are qualified by these cautionary

statements and the cautionary language in the Company's Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q and other documents filed with the SEC. Except as required by law, the Company undertakes no obligation to revise these statements following the date of this press release.

About Financial Institutions, Inc.

Financial Institutions, Inc. provides diversified financial services through its subsidiaries Five Star Bank, SDN, Courier Capital and HNP Capital. Five Star Bank provides a wide range of consumer and commercial banking and lending services to individuals, municipalities and businesses through a network of more than 45 offices throughout Western and Central New York State. SDN provides a broad range of insurance services to personal and business clients. Courier Capital and HNP Capital provide customized investment management, investment consulting and retirement plan services to individuals, businesses, institutions, foundations and retirement plans. Financial Institutions, Inc. and its subsidiaries employ approximately 630 individuals. The Company's stock is listed on the Nasdaq Global Select Market under the symbol FISL. Additional information is available at www.fiiwarsaw.com.

About Landmark Group

As a locally owned and operated insurance and surety brokerage firm in Rochester, NY, Landmark Group is committed to providing quality insurance products for individuals and businesses. Landmark Group combines its strong insurance background and product knowledge to assist both current and future clients and manage and plan for all types of potential risk.

For additional information contact:

Shelly J. Doran
(585) 627-1362
sjdoran@five-starbank.com