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**INSURANCE BROKERAGE SUES FINANCIAL SERVICES CO.;
SEEKS \$500 MM, INJUNCTION ON INFRINGING TRADEMARK**

***Claims Similarity in Names, URLs Caused Bank's Customers To Send
Personal Data Mistakenly to Brokerage, Jeopardizing Consumers' IDs***

NEW YORK, October 10, 2007 – Seeking more than \$500 million in damages and an injunction that would prohibit the defendant from using trade and domain names similar to its own First Niagara trademark, a Niagara Falls (Ontario) insurance brokerage today sued a nearby Buffalo-area financial services company, alleging that the defendant's confused customers sent sensitive personal and financial data mistakenly to the brokerage.

First Niagara Insurance Brokers, Inc. (First Niagara) filed suit in U.S. District Court in White Plains, N.Y., against First Niagara Financial Group (FNFG), alleging trademark infringement and unfair competition.

“My client, First Niagara, has been using that name and trademark since 1984, both in Canada and the United States,” said attorney Paul Fakler, an intellectual property litigator with Manhattan-based law firm Moses & Singer. “The two businesses are headquartered about 20 miles apart and service the same markets with identical and similar products, so business confusion and consumer confusion were inevitable.

“We know of many instances where the bank's customers sent social security numbers and bank accounts numbers mistakenly to my client,” Fakler added. “As many times as First Niagara warned FNFG that this was happening, our entreaties fell on deaf ears. First Niagara has also had numerous instances where consumers made contact by phone and at its offices, believing that First Niagara was somehow affiliated with FNFG. So unlike some trade mark and domain name litigation, where the claim is that the similarities will likely cause confusion, here we can show actual confusion among consumers.”

The suit alleges that the bank, which formerly operated as Lockport Savings Bank, changed its name to First Niagara Bank in 1999 – 15 years after the insurance brokerage had begun using First Niagara. In doing so, it adopted marks that infringed on those of the brokerage, the suit contends.

For example, First Niagara developed its website under the domain name www.firstniagara.com. FNFG – aware of First Niagara's use of the domain name – later registered its website under the domain name www.first-niagara.com -- the only difference between the two being the hyphen.

“First Niagara tried amicably to resolve this – to the satisfaction of all parties, and to the benefit of consumers – but FNFG refused,” Fakler said. “The bank has known for years of the problems, but in spite of the fact that both parties are in the financial services area, offer some of the same services and advertise in the same publications, the confusion

continues to this day. Top executives of both companies met at various social events prior to FNFG's adoption of the First Niagara trademark, and the bank tried twice to buy our domain name prior to registering the confusingly similar domain. FNFG had to have known about First Niagara's use of its trademark before changing its name, and First Niagara immediately told FNFG that its customers' confidential information was being disclosed. But to this day consumers' identities and personal information are endangered by FNFG's actions."

Fakler said First Niagara had been pursuing the matter with the U.S. Patent and Trademark Office (PTO), seeking to block FNFG's attempts to register the infringing marks, but concluded that FNFG intended to continue its infringing activities regardless of whether the PTO stripped FNFG of its trademark registration.

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