

BERKSHIRE BANK TO ACQUIRE FIVE INSURANCE AGENCIES

PITTSFIELD, MA. October 24 2006 – Berkshire Bank announced today that it is acquiring five leading Western Massachusetts insurance agencies, four of which are located in Berkshire County and one in Franklin County. They include Reynolds, Barnes & Hebb and McCormick, Smith & Curry Insurance Agency, both of Pittsfield; Minkler Insurance Agency, of Stockbridge; H.S. Andrews Insurance Agency of Great Barrington; and MassOne Insurance Agency, Inc., of Greenfield. All of these agencies are members of Alliance Berkshire, a consortium of some of the top insurance agencies in Western Massachusetts, which cooperate in contracting with insurers so that they are able to offer the best insurance products to their customers.

The entire management teams, all other licensed agents, all customer service representatives and all other employees of these agencies will remain with the organization, and they will continue to operate from their existing offices after these acquisitions are completed. The purchases are being made by Berkshire Bank's insurance affiliate, Berkshire Insurance Group, Inc., which has offices in Westfield and Longmeadow. In all, the Bank's agencies will have 100 employees in ten convenient locations throughout Berkshire, Hampden and Franklin Counties. The Bank expects to complete these transactions within the next several weeks.

Commenting on the acquisitions, Michael P. Daly, President and Chief Executive Officer of Berkshire Bank said, "We are very excited to announce these acquisitions, which when combined with our Berkshire Insurance Group, will result in our having one of the top insurance market share in Berkshire County and the Pioneer Valley, with approximately \$70 million in annual premium volume. These high quality agencies provide a foundation for the expansion of this important business line of our regional financial institution. Each insurance agency will retain its name, identity, management, personnel, and offices. Their clients will continue to be served by the same insurance professionals to whom they currently entrust their insurance business. The agencies will benefit from efficiencies of scale that will be implemented and their clients will benefit from ease of availability to the financial products and services of Berkshire Bank."

Mr. Daly continued, "As a result of these transactions, we will have the finest group of insurance executives in the region. Ross Gorman, President of MassOne, will serve as President and Chief Executive Officer of our combined Berkshire Insurance Group. Other members of senior management include Bob Farrell of Reynolds Barnes & Hebb; Bob Curry of McCormick, Smith & Curry; and Tim Minkler of Minkler Insurance Agency. Other key executives who will operate in various capacities are Ed Burniske and George Groule of Reynolds, Barnes and Hebb; Steve Cronin of McCormick, Smith & Curry, Chris Minkler of Minkler Insurance; Tom Andrews of H. S. Andrews and Paul Lesukoski of Berkshire Insurance Group."

Speaking on behalf of the selling agencies, Mr. Gorman responded, “We are very enthusiastic about the opportunities for our affiliation with Berkshire Bank. Our insurance agencies are among the leading agencies in Western Massachusetts. Choosing to affiliate with Berkshire Bank was relatively easy for us, as we were impressed by Mike Daly’s leadership and Berkshire Bank’s culture and its approach to its customers. We share the same values in our commitment to our customers, our employees and the communities in which we do business. Over the past six years, the Bank’s charitable foundations have contributed more than \$8 million to local non-profit organizations. Berkshire Bank is a well-managed and solid financial institution, and we look forward to contributing towards its goals as it transitions into a major regional financial institution in its multi-state markets. We believe that our clients and employees will benefit greatly from this combination.”

Representing the selling agencies is C. Jeffrey Cook, Esq. of Cain, Hibbard, Myers and Cook in Pittsfield and representing Berkshire Bank and its affiliates are Gerald A. Denmark, Esq., Senior Vice President and General Counsel and Lawrence M.F. Spaccasi, Esq. and Scott A. Brown, Esq. of Muldoon, Murphy & Aguggia, Washington, D.C.

All of the agencies and the Bank have long histories in their respective communities. Reynolds, Barnes & Hebb was founded in 1875 and is headquartered in Pittsfield with a branch office in Dalton. McCormick, Smith & Curry traces its history back to 1931 and is located in Pittsfield. Minkler Insurance Agency’s roots go back to 1877 and is located in Stockbridge. H.S. Andrews Insurance, of Great Barrington, was founded in 1872, and

MassOne Insurance Agency traces its lineage back to 1948; it is headquartered in Greenfield and maintains branch offices in Shelburne and Deerfield.

Berkshire Hills Bancorp, Inc. is the holding company for Berkshire Bank. Established in 1846, Berkshire Bank is one of Massachusetts' oldest and largest independent banks and the largest banking institution based in Western Massachusetts. The Bank is headquartered in Pittsfield, Massachusetts with branches serving communities throughout Western Massachusetts and Northeastern New York. The Bank is transitioning into a regional bank and is positioning itself as the financial institution of choice in its retail and commercial markets, delivering exceptional customer service and a broad array of competitively priced deposit, loan, insurance, wealth management and trust services, and investment products. For more information on Berkshire Hills Bancorp, Inc. or Berkshire Bank, visit www.berkshirebank.com or call 800-773-5601.

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