

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549****FORM S-8****REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933****M&T BANK CORPORATION**

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of incorporation or organization)**16-0968385**
(I.R.S. Employer Identification No.)**One M&T Plaza Buffalo, New York**
(Address of Principal Executive Offices)**14203**
(Zip Code)**PROVIDENT BANKSHARES CORPORATION AMENDED AND RESTATED STOCK OPTION PLAN
PROVIDENT BANKSHARES CORPORATION 2004 EQUITY COMPENSATION PLAN(1)**
(Full title of the plans)

Brian R. Yoshida
Administrative Vice President and Deputy General Counsel
M&T Bank Corporation
One M&T Plaza Buffalo, New York 14203
(716) 842-5464

(Name, address and telephone number, including area code, of agent for service)

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)**CALCULATION OF REGISTRATION FEE**

Title of securities to be registered	Amount to be registered (1)(2)	Proposed maximum offering price per share (3)	Proposed maximum aggregate offering price (3)	Amount of registration fee
Common Stock, \$.50 par value	624,944	\$49.46	\$30,909,730.24	\$1724.76

- (1) Stock options (the "Provident Options") outstanding under the Provident Bankshares Corporation Amended and Restated Stock Option Plan and the Provident Bankshares Corporation 2004 Equity Compensation Plan (collectively, the "Plans") and the Plans were assumed as of May 23, 2009 by M&T Bank Corporation ("M&T") pursuant to the terms and conditions of the Agreement and Plan of Merger (the "Merger Agreement") by and among M&T, Provident Bankshares Corporation ("Provident"), and First Empire Holding Company, a wholly-owned subsidiary of M&T. Pursuant to the terms and conditions of the Merger Agreement, the Provident Options vested in full and were converted into options to purchase Common Stock at the effective time of the merger of Provident with and into Merger Sub, with the number of shares of Common Stock underlying such Provident Options adjusted as set forth in Section 5.9(a) of the Merger Agreement (including with respect to the 0.171625 Exchange Ratio). This Registration Statement registers the aggregate number of shares of such Common Stock.
- (2) This Registration Statement also covers an indeterminate number of additional shares which may be offered and issued under the employee benefit plans named above to prevent dilution resulting from stock splits, stock dividends or similar transactions.
- (3) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(c) and (h)(1) based on the average of the high and low prices for the Common Stock on June 4, 2009, as reported on the New York Stock Exchange.

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PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The information specified in Part I of Form S-8 (Items 1 and 2) are not being filed with the Securities and Exchange Commission (the "Commission") as part of this Registration Statement, but will be sent or given to plan participants as specified by Rule 428 promulgated under the Securities Act of 1933, as amended.

PART II

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents are incorporated by reference into this Registration Statement:

(a) M&T's Annual Report on Form 10-K for the fiscal year ended December 31, 2008, filed with the Commission on February 23, 2009;

(b) M&T's Quarterly Report on Form 10-Q for the period ended March 31, 2009, filed with the Commission on May 8, 2009;

(c) All other reports filed by M&T pursuant to Section 13(a) of 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") since the end of the fiscal year covered by the Annual Report referred to in (a) above, including M&T's Current Report on Form 8-K filed with the Commission, on May 28, 2009; and

(d) The description of M&T's Common Stock contained in the Registration Statement on Form 8-A, filed by M&T on May 20, 1998, under Section 12(b) of the Exchange Act, including any amendments or reports filed for the purpose of updating such description.

In addition, all documents subsequently filed by M&T pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act, subsequent to the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold, shall also be deemed to be incorporated by reference into this Registration Statement and to be a part hereof commencing on the date of the filing of such documents.

Any statement contained herein or in a document all or a portion of which is incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or amended, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable as the securities being registered are not original issuance securities and hence a legal opinion as to the legality of the securities being registered is not required.

Item 6. Indemnification of Directors and Officers.

Sections 721 through 725 of the NYBCL contain specific provisions relating to indemnification of directors and officers of a New York corporation against liability for their acts under certain circumstances. In general, the statute provides that (1) a corporation may indemnify any person made, or threatened to be made, a party to an action or proceeding (other than one by or in the right of the corporation to procure a judgment in its favor), including an action by or in the right of any other entity which any director or officer served in any capacity at the request of the corporation, by reason of the fact that he, his testator or intestate, was a director or officer of the corporation, or served such other entity in any capacity, against judgments, fines, amounts paid in

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settlement and reasonable expenses, including attorney's fees, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in, or not opposed to, the best interests of the corporation, or had no reasonable cause to believe that his conduct was unlawful, and (2) a corporation may indemnify any person made, or threatened to be made, a party to an action by or in the right of the corporation by reason of the fact that he, his testator or intestate, is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of any other entity, against amounts paid in settlement and reasonable expenses, including attorney's fees, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in, or not opposed to, the best interests of the corporation, other than a threatened action or a pending action which is settled or otherwise disposed of, or any matter as to which such person shall have been adjudged to be liable to the corporation, unless and to the extent that the court determines that the person is fairly and reasonably entitled to indemnity for such portion of the settlement amount and expenses as the court deems proper. The statute provides that a corporation must indemnify a director or officer if he is successful in his defense of an action or proceeding and may indemnify such person if he is not successful in such defense if it is determined as provided in the statute that he meets a certain standard of conduct. The statute also permits a director or officer of a corporation who is a party to a proceeding to apply to the courts for indemnification. The statute further provides that a corporation may in its certificate of incorporation or by-laws or by contract or resolution provide indemnification in addition to that provided by the statute, subject to certain conditions set forth in the statute. NYBCL § 721 prohibits indemnification of officers and directors for acts finally adjudicated to be committed in bad faith, resulting from active or deliberate dishonesty, or resulting in a personal gain to which such an officer or director was not legally entitled.

Article Seventh of M&T's restated certificate of incorporation, as amended, provides that as to any act or omission occurring after the adoption of such provision, a director of M&T shall, to the maximum extent permitted by the laws of the State of New York, have no personal liability to M&T or any of its stockholders for any breach of duty as a director, to the extent permitted by law.

Article V of M&T's amended and restated by-laws provides that each director and officer of M&T, whether or not then in office, and any person whose testator or intestate was such a director or officer, will be indemnified by M&T for the defense of, or in connection with, any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, governmental, administrative or investigative, in accordance with and to the fullest extent permitted by the New York Business Corporation Law or other applicable law, as such law currently exists or may hereafter be amended. However, M&T is allowed to provide indemnification in connection with an action or proceeding initiated by such director or officer only if such action or proceeding was authorized by M&T's Board of Directors. Expenses incurred by a director or officer in connection with any action or proceeding as to which indemnification may be given may be paid by M&T in advance of the final disposition of such action or proceeding upon (1) receipt of an undertaking by or on behalf of such director or officer to repay such advancement in the event that such director or officer is ultimately found not to be entitled to indemnification and (2) approval by the board of directors acting by a quorum consisting of directors who are not parties to such action or proceeding or, if such a quorum is not obtainable, the approval by stockholders. To the extent permitted by law, the board of directors or, if applicable, the stockholders, shall not be required to find that the director or officer has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding.

M&T maintains director and officer liability insurance coverage for its directors and officers and those of its subsidiaries. This coverage insures such persons against certain losses that may be incurred by them in their respective capacities as directors and officers.

Item 7. Exemption from Registration Claimed.

Not applicable.

Item 8. Exhibits.

The exhibits to this Registration Statement are described in the Exhibit Index below.

Item 9. Undertakings.

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(a) M&T hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");
- (ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement;
- (iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by M&T pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(2) That for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) M&T hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of M&T's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act, (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of M&T pursuant to the foregoing provisions, or otherwise, M&T has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by M&T of expenses incurred or paid by a director, officer or controlling person of M&T in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, M&T will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, M&T certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Buffalo, New York on June 5, 2009.

M&T BANK CORPORATION

By: /s/ Brian R. Yoshida
Brian R. Yoshida, Administrative Vice President
and Deputy General Counsel

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on June 5, 2009.

Signature	Title
<u>*</u> Robert G. Wilmers	Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
<u>*</u> René F. Jones	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
<u>*</u> Michael R. Spychala	Senior Vice President and Controller (Principal Accounting Officer)
<u>*</u> Brent D. Baird	Director
<u>*</u> Robert J. Bennett	Director
<u>*</u> C. Angela Bontempo	Director
<u>*</u> Robert T. Brady	Director
<u>*</u> Michael D. Buckley	Director

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Signature	Title
* _____ T. Jefferson Cunningham III	Director
* _____ Mark J. Czarniecki	Director
* _____ Colm E. Doherty	Director
* _____ Patrick W.E. Hodgson	Director
* _____ Richard G. King	Director
* _____ Jorge G. Pereira	Vice Chairman of the Board
* _____ Michael P. Pinto	Vice Chairman of the Board
* _____ Robert E. Sadler, Jr.	Vice Chairman of the Board
* _____ Melinda R. Rich	Director
* _____ Eugene J. Sheehy	Director
* _____ Herbert L. Washington	Director

* By: /s/ Brian R. Yoshida

Brian R. Yoshida
(Attorney-in-Fact)
Pursuant to Power of Attorney filed herewith

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
4.1	Provident Bankshares Corporation Amended and Restated Stock Option Plan, filed herewith.
4.2	Provident Bankshares Corporation 2004 Equity Compensation Plan, filed herewith.
5.1	No opinion of counsel required as the securities being registered are not original issuance securities
23.1	Consent of PricewaterhouseCoopers LLP, filed herewith.
24.1	Power of attorney, filed herewith.

PROVIDENT BANKSHARES CORPORATION
AMENDED AND RESTATED STOCK OPTION PLAN

1. **PURPOSE.** This Stock Option Plan (herein the “Plan”) is intended as an employment incentive and to encourage stock ownership by certain directors, key officers and employees of the Corporation and any Subsidiary, so that they may increase their proprietary interest in the Corporation’s success. In this way, the Corporation will be assisted in its efforts to attract and retain highly qualified management personnel.

2. **ADMINISTRATION.** The Plan shall be administered, construed and interpreted by the Compensation Committee, as appointed by the Board of Directors of the Corporation as defined under Section 6(f) (herein the “Committee”). The Committee is authorized, subject to the provisions of the Plan, to establish such rules and regulations as it sees necessary for the proper administration of the Plan and to make whatever determinations and interpretations in connection with the Plan it sees as necessary or advisable. All determinations and interpretations made by the Committee shall be binding and conclusive on all participants in the Plan and on their legal representatives and beneficiaries. The Board of Directors may from time to time remove members from, or add members to, the Committee, and vacancies on the Committee, however caused, shall be filled by the Board of Directors. Subject to the provisions of the Plan, the Committee shall determine:

- (a) The directors, officers and employees to whom options shall be granted;
- (b) The number of shares on which options shall be granted to each director, officer and employee;
- (c) The price to be paid for the shares upon the exercise of each option;
- (d) The termination date of such options; and
- (e) All other matters deemed necessary or advisable for the administration of the Plan.

No member of the Board of Directors or the Committee shall be liable for any action or determination made in good faith, and the members shall be entitled to indemnification and reimbursement in the manner provided in the Corporation’s Articles of Incorporation or otherwise provided by law. The Committee shall furnish the Board with copies of all decisions, orders and determinations made by the Committee.

3. **ELIGIBILITY.** Subject to the terms herein, directors, key salaried officers and employees of the Corporation, or of any present or future Subsidiary, as the Committee shall determine from time to time shall be eligible to participate in the Plan. An Optionee may hold more than one (1) option, but only on the terms and conditions herein set forth.

4. **STOCK.** The stock subject to the options and other provisions of the Plan shall be shares of the Corporation’s \$1.00 par value common stock which is authorized but unissued, or reacquired common stock (herein sometimes “Common Stock”). The maximum aggregate number of shares issued under the Plan shall be 2,724,301 (as of December 20, 2000) shares, subject to adjustment in accordance with the provisions of Section 5(g) hereof. This authorization shall be increased automatically on each succeeding annual anniversary of the adoption of the Plan so that the number of shares authorized under the Plan equals 17% of the then outstanding shares of Corporation Common Stock.

In the event that any outstanding option under the Plan for any reason expires or is terminated prior to the end of the period during which options may be granted under the Plan, the shares of Common Stock allocable to the unexercised portion of such option may again be subjected to an option under the Plan.

No participant under this Plan may receive awards with respect to shares of Common Stock that exceed 350,000

shares in any calendar year.

5. TERMS AND CONDITIONS OF OPTIONS. Stock options granted pursuant to the Plan to eligible employees shall be evidenced by agreements in such form as the Committee shall, from time to time, approve, which agreements shall in substance include and comply with and be subject to the following terms and conditions:

(a) MEDIUM AND TIME OF PAYMENT. The option price shall be payable in United States dollars upon the exercise of the option and may be paid in cash or by certified check, bank draft or money order payable to the order of the Corporation. Stock options may be exercised pursuant to a "cashless exercise" of an option in accordance with applicable securities laws. Payment of the purchase price may be made, in whole or in part, through the surrender of shares of the Common Stock of the Corporation at the Fair Market Value of such shares on the date of surrender determined in the manner described in Section 6(g).

(b) NUMBER OF SHARES. The option shall state the total number of shares to which it pertains. No option may be exercised for less than one hundred (100) shares unless the issue of a lesser number is enough to exhaust the option.

(c) OPTION PRICE. The option price shall not be less than the fair market value of the shares of Common Stock of the Corporation on the date that the option is granted. The Fair Market Value is defined under Section 6(g), except that for the initial grant of options under the Plan, the "public offering price" as defined in the Form S-1 Registration Statement filed by the Corporation with the Securities and Exchange Commission shall be deemed to be Fair Market Value per share of the Common Stock. The "date that the option is granted" shall be the date identified in the stock option agreement; provided, however, that the Optionee shall have no rights under such option until he executes the option agreement described in this Section.

(d) EXPIRATION OF OPTIONS. Each option granted under the Plan shall expire not more than ten (10) years from the date such option is granted, as determined by the Committee.

(e) DATE OF EXERCISE. Except as may otherwise be determined by the Committee at the time such option is granted, an option is fully vested and may be exercised at any time immediately after: (i) a Change in Control, as defined in Paragraph 6(a) hereof; or (ii) the date that the option or right is granted as to not more than one-half (1/2) of the shares of Common Stock to which it pertains. As of the first anniversary of the date that the option is granted, the option may be exercised as to the remaining one-half (1/2) of the shares of Common Stock to which it pertains. Notwithstanding the above, the Committee may, in its sole discretion, accelerate the time at which any stock option may be exercised in whole or in part.

Except as herein otherwise provided, any option may be exercised in whole at any time, or in part from time to time, during its term.

(f) TERMINATION OF EMPLOYMENT.

(i) In the event an Optionee ceases to be a director, officer or employee of the Corporation or a Subsidiary due to death or Disability, all of the Optionee's options shall immediately become fully vested and exercisable and shall remain so for a period of sixty (60) days from the date of termination of service as a director or officer or of employment, but in no event after their respective expiration dates.

(ii) In the event an Optionee ceases to be a director, officer or employee of the Corporation or a Subsidiary as a result of Retirement, all of the Optionee's options that were fully vested and exercisable on the date of termination of service as a director or officer or of employment shall remain fully vested and exercisable and shall remain so until their respective termination dates. All of the Optionee's options that were not fully vested and exercisable on such date shall be terminated immediately. Notwithstanding the above, in the event an Optionee ceases to be a director of the Corporation as a result of Retirement within one (1) year of the effective date of the Plan, all of such Optionee's options shall immediately become fully vested and exercisable and shall remain so until the respective termination period of the option.

(iii) In the event an Optionee ceases to be a director, officer or employee of the Corporation or a

Subsidiary for any reason whatsoever other than death, Disability or Retirement, all of the Optionee's options that were fully vested and exercisable on the date of termination of service as a director or officer or of employment shall remain fully vested and shall be exercisable for a period of thirty (30) days from said date of termination of service, but in no event later than the termination period of the option. All of the Optionee's options that were not fully vested and exercisable on said date of termination shall be terminated immediately.

(g) **ADJUSTMENTS ON CHANGES IN STOCK.** In the event of any change in the outstanding shares of Common Stock of the Corporation by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares, or other similar corporate change, or other increase or decrease in such shares without receipt or payment of consideration by the Corporation, the Committee, in its discretion, may deem it appropriate to adjust previously granted awards, to prevent dilution or enlargement of the rights of the Participant, including any or all of the following:

- (i) adjustments in the aggregate number or kind of shares of Common Stock which may be awarded under the Plan;
- (ii) adjustments in the aggregate number or kind of shares of Common Stock covered by awards already made under the Plan; or
- (iii) adjustments in the purchase price of outstanding Stock Options.

(h) **ASSIGNABILITY.** No option shall be assignable or transferable except by will or by the laws of descent and distribution. During the lifetime of an Optionee, an option shall be exercisable only by him, his legal representative or his guardian.

(i) **TAX WITHHOLDING.** The Optionee may remit to the Corporation at the time of exercise of any option any taxes required to be withheld by the Corporation under federal, state or local law as a result of the exercise of such option or right. If the Optionee does not remit such taxes at the time of exercise of an option, the Optionee will be deemed to have authorized the Corporation to withhold such taxes in accordance with applicable law from any regular cash compensation payable to him. If this Plan is qualified under 17 C.F.R. Section 240.16b-3 ("Rule 16b-3") under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), then any withholding shall comply with 17 C.F.R. Section 240.166-3(e).

(j) **OTHER CONDITIONS.** The option agreements authorized under the Plan may contain such other provisions as the Committee shall deem advisable.

6. CERTAIN DEFINITIONS. For purpose of the Plan, the following terms shall have the meanings set forth below:

(a) "Change in Control" means an event of nature that: (i) would be required to be reported in response to Item 1(a) of the current report on Form 8-K, as in effect on the date hereof, pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"); or (ii) results in a Change in Control of the Bank or the Corporation within the meaning of the Change in Bank Control Act and the Rules and Regulations promulgated by the Federal Deposit Insurance Corporation ("FDIC") at 12 C.F.R. Section 303.4(a) with respect to the Bank, and the Board of Governors of the Federal Reserve System ("FRB") at 12 C.F.R. Section 225.41(b) with respect to the Corporation, as in effect on the date hereof; or (iii) without limitation such a Change in Control shall be deemed to have occurred at such time as (A) any "person" (as the term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Bank or the Corporation representing 10% or more of the Bank's or the Corporation's outstanding securities except for any securities of the Bank purchased by the Corporation or any securities of the Bank or the Corporation purchased by any employee benefit plan of the Bank or the Corporation, or (B) individuals who constitute the Board on the date hereof (the "Incumbent Board") cease for any reason to constitute at least a majority thereof, provided that any person becoming a director subsequent to the date hereof whose election was approved by a vote of at least 75% of the directors comprising the Incumbent Board, or whose nomination for election by the Corporation stockholders was approved by the same Nominating Committee serving under an Incumbent Board, shall be, for purposes of this clause (B), considered as though he were a member of the Incumbent Board, or (C) a

plan of reorganization, merger, consolidation, sale of all or substantially all the assets of the Bank or the Corporation or similar transaction occurs in which the Bank or Corporation is not the resulting entity, or (D) a solicitation of stockholders of the Corporation, by someone other than the current management of the Corporation, seeking stockholder approval of a plan of reorganization, merger or consolidation of the Corporation or Bank with one or more corporations, a result of which the outstanding shares of the class of securities then subject to such plan or transaction are exchanged for or converted into cash or property or securities not issued by the Bank or the Corporation, or (E) a tender offer is made for 20% or more of the voting securities of the Bank or Corporation then outstanding.

(b) "Disability" shall mean a permanent and total disability as defined by Section 72(m)(7) of the Internal Revenue Code of 1986, as from time to time amended, or any successor thereto of similar import.

(c) "Optionee" shall mean a director, officer or employee of the Corporation or of any Subsidiary to whom an option is granted under the Plan.

(d) "Retirement" shall mean the termination of employment of an individual upon his attaining age 65 or other normal or early retirement age pursuant to the regular retirement plan of the Corporation or any Subsidiary.

(e) "Subsidiary" shall mean: (i) a member of a controlled group of corporations of which the Corporation is a member or (ii) an unincorporated trade or business which is under common control with the Corporation as determined in accordance with Section 414(c) of the Internal Revenue Code (the "Code") and the regulations issued thereunder. For purposes hereof, a "controlled group of corporations" shall mean a controlled group of corporations as defined in Section 1563(a) of the Code determined without regard to Sections 1563(a)(4) and (3)(3)(C).

(f) "Committee" means a committee consisting of two or more disinterested directors of the Corporation, who shall be appointed by the Board of Directors. A member of the Board of Directors shall be deemed to be "disinterested" only if he satisfies (i) such requirements as the Securities and Exchange Commission may establish for non-employee directors administering plans intended to qualify for exemption under Rule 16b-3 (or its successor) under the Exchange Act and (ii) such requirements as the Internal Revenue Service may establish for outside directors acting under plans intended to qualify for exemption under Section 162(m)(4)(C) of the Code.

(g) "Fair Market Value" shall mean, when used in connection with the Common Stock on a certain date, the average of the reported highest bid and lowest ask price of the Common Stock as reported on the Nasdaq National Market (as published by The Wall Street Journal, if published) on such date or if the Common Stock was not traded on such date, on the next preceding day on which the Common Stock was traded thereon or the last previous date on which a sale is reported.

7. MODIFICATION OF OPTIONS. Subject to the terms and conditions and within the limitations of the Plan, the Committee may modify, extend or renew outstanding options (to the extent not theretofore exercised) and authorize the granting of new options in substitution therefor; provided, however, that any such modifications shall be limited to those which are not adverse to the interests of the Optionee or are necessary to cause the Plan, options to comply with any applicable legal requirements; and provided, further, that subject to paragraph (g) of Section 5, the Committee may not, without prior shareholder approval, allow the option price for any previously granted option to be reduced or otherwise repriced after the date of grant.

8. AMENDMENT OF THE PLAN. The Board of Directors may, from time to time, with respect to any shares reserved under the Plan but not subject to options, revise or amend the Plan in any respect. However, the Board of Directors may not, without stockholder approval, (a) increase the number of shares of Common Stock which may be reserved for issuance under the Plan, except as provided in Paragraph 5(g) hereof, (b) fix the option price at less than the Fair Market Value of the Common Stock of the Corporation on the date the option is granted, (c) change the provisions relating to the administration of the Plan by a Committee, (d) extend the period during which options may be granted or exercised beyond the times originally prescribed, or (e) change the persons eligible to participate in the Plan.

Notwithstanding the above stated paragraph, sections of the Plan governing the grants to Non-Employee Directors shall not be amended more than once every six months other than to comport with the Code or the Employee

Retirement Income Security Act, as amended (“ERISA”), if applicable.

9. **TERMINATION.** The Board of Directors may terminate the Plan at any time, and no option shall be granted thereafter. Such termination shall not affect the validity of any option agreement then outstanding.

10. **EFFECTIVE DATE.** The Plan shall become effective when it is approved by the holders of a majority of the Common Stock of the Corporation.

11. **DESIGNATION OF BENEFICIARY.** An Optionee may, with the consent of the Committee, designate a person or persons to receive, in the event of death, any stock option to which the Optionee would then be entitled. Such designation will be made upon forms supplied by and delivered to the Corporation and may be revoked in writing. If a Participant fails to effectively designate a beneficiary, then the Participant’s estate will be deemed to be the beneficiary.

12. **RIGHTS OF SHAREHOLDER.** No Participant shall have any rights as a shareholder with respect to any shares covered by a stock option until the date of issuance of a stock certificate for such shares. Nothing in this Plan or in any award granted confers on any person any right to continue in the employ of the Corporation or its Subsidiary or interferes in any way with the right of the Corporation or its Subsidiary to terminate a Optionee’s services as an officer or other employee at any time.

13. **APPLICABLE LAW.** The Plan will be administered in accordance with the laws of Maryland.

14. **COMPLIANCE WITH SECTION 16.** If this Plan is qualified under Rule 16b-3, with respect to persons subject to Section 16 of the Exchange Act, transactions under this Plan are intended to comply with all applicable conditions of the Rule 16b-3 or its successors under the Exchange Act. To the extent any provisions of the Plan or action by the Committee fail to so comply, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Committee.

15. **OPTIONS CONTINUE AS A RESULT OF A SUCCESSOR.** The obligations of the Corporation under the Plan shall be binding upon any organization which shall succeed to all or substantially all of the assets of the Corporation, and the term “Corporation,” whenever used in the Plan, shall mean and include any such organization after the succession.

PROVIDENT BANKSHARES CORPORATION
2004 EQUITY COMPENSATION PLAN

1. Purpose Of Plan.

The purposes of this 2004 Equity Compensation Plan are to provide incentives and rewards to those employees and directors largely responsible for the success and growth of Provident Bankshares Corporation and its subsidiary corporations, and to assist all such corporations in attracting and retaining directors, executives and other key employees with experience and ability.

2. Definitions.

“Affiliate” means any “parent corporation” or “subsidiary corporation” of the Corporation, as such terms are defined in Sections 424(e) and 424(f) of the Code.

“Award” means one or more of the following: shares of Common Stock, Restricted Stock Awards, Options, Stock Appreciation Rights, performance shares, performance units and any other rights which may be granted to a Participant under the Plan.

“Board of Directors” means the board of directors of the Corporation.

“Change in Control” means any one of the following events occurs:

(i) Merger: The Corporation merges into or consolidates with another corporation, or merges another corporation into the Corporation and as a result less than a majority of the combined voting power of the resulting corporation immediately after the merger or consolidation is held by persons who were stockholders of the Corporation immediately before the merger or consolidation;

(ii) Acquisition of Significant Share Ownership: A report on Schedule 13D or another form or schedule (other than Schedule 13G) is filed or is required to be filed under Sections 13(d) or 14(d) of the Securities Exchange Act of 1934, if the schedule discloses that the filing person or persons acting in concert has or have become the beneficial owner(s) of 25% or more of a class of the Corporation’s voting securities, but this clause (b) shall not apply to beneficial ownership of Corporation voting shares held in a fiduciary capacity by an entity of which the Corporation directly or indirectly beneficially owns fifty percent (50%) or more of its outstanding voting securities;

(iii) Change in Composition of the Board of Directors: During any period of two consecutive years, individuals who constitute the Corporation’s Board of Directors at the beginning of the two-year period cease for any reason to constitute at least a majority of the Corporation’s Board of Directors; provided, however, that for purposes of this clause (iii) each director who is first elected by the board (or first nominated by the board for election by the stockholders) by a vote of at least three-fourths (3/4) of the directors who were directors at the beginning of the period shall be deemed to have been a director at the beginning of the two-year period; or

(iv) Sale of Assets: The Corporation sells to a third party all or substantially all of its assets.

“Code” means the Internal Revenue Code of 1986, as amended.

“Committee” means the Compensation Committee of the Board of Directors.

“Common Stock” means the common stock of the Corporation, par value \$1.00 per share.

“Corporation” means Provident Bankshares Corporation and any entity which succeeds to the business of Provident Bankshares Corporation.

“Disability” means a permanent and total disability as defined by Section 72(m)(7) of the Code.

“Employee” means any person employed by the Corporation or an Affiliate. Directors who are also employed by the Corporation or an Affiliate shall be considered Employees under the Plan.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Exercise Price” means the price at which an individual may purchase a share of Common Stock pursuant to an Option.

“Fair Market Value” means the average of the reported highest bid and lowest ask price of the Common Stock as reported on the Nasdaq National Market (as published by The Wall Street Journal, if published) on such date or, if the Common Stock was not traded on such date, on the immediately preceding day on which the Common Stock was traded thereon or the last previous date on which a sale is reported. The Committee also may adopt a different methodology for determining Fair Market Value with respect to one or more Awards if a different methodology is necessary or advisable to secure any intended favorable tax, legal or other treatment for the particular award(s).

“Option” or “Stock Option” means a non-statutory stock option not subject to the requirements of Section 422 of the Code, that is granted to an individual under the Plan.

“Outside Director” means a member of the Board(s) of Directors of the Corporation or an Affiliate who is not also an Employee of the Corporation or an Affiliate.

“Plan” means this Provident Bankshares Corporation 2004 Equity Compensation Plan.

“Restricted Stock Award” means restricted stock granted to an individual pursuant to Section 6 of the Plan.

“Retirement” means termination of employment of an individual upon his attaining age 65 or other normal or early retirement age pursuant to the regular retirement plan of the Corporation or any Affiliate. “Retirement” with respect to an Outside Director means retirement as defined in the by-laws of the Corporation.

“Stock Appreciation Right” means a right to payment provided in accordance with Section 6 of the Plan.

3. Administration.

(a) The Committee shall administer the Plan. The Board of Directors or the Committee may delegate, to the extent permitted by applicable law, to one or more officers of the Corporation, its powers under this Plan (a) to designate the officers and employees of the Corporation who will receive Awards and (b) to determine the number of Awards to be received by them, pursuant to a resolution that specifies the total number of rights or options that may be granted under the delegation, provided that no officer may be delegated the power to designate himself or herself as a recipient of such options or rights.

(b) Subject to paragraph (a) of this Section 3, the Committee shall:

- (i) select the individuals who are to receive grants of Awards under the Plan;
 - (ii) determine the type, number, vesting requirements and other features and conditions of such Awards made under the Plan;
 - (iii) interpret the Plan and Award Agreements (as defined below); and
-

(iv) make all other decisions related to the operation of the Plan.

(c) Each Award granted under the Plan shall be evidenced by a written agreement (i.e., an Award Agreement). Each Award Agreement shall constitute a binding contract between the Corporation or an Affiliate and the Participant, and every Participant, upon acceptance of an Award Agreement, shall be bound by the terms and restrictions of the Plan and the Award Agreement. The terms of each Award Agreement shall be set in accordance with the Plan, but each Award Agreement may also include any additional provisions and restrictions determined by the Committee. In particular, and at a minimum, the Committee shall set forth in each Award Agreement:

(i) the type of Award granted;

(ii) the Exercise Price of any Option;

(iii) the number of shares or rights subject to the Award;

(iv) the expiration date of the Award;

(v) the manner, time and rate (cumulative or otherwise) of exercise or vesting of the Award; and

(vi) the restrictions, if any, placed on the Award, or upon shares which may be issued upon the exercise or vesting of the Award.

The Chairman of the Committee, the Chief Executive Officer of the Corporation or any other designated officer are hereby authorized to execute Award Agreements on behalf of the Corporation or an Affiliate and to cause them to be delivered to the Participants of Awards granted under the Plan.

4. Eligibility.

Subject to the terms of the Plan, directors, key salaried officers and employees of the Corporation, or of any Affiliate, as the Committee shall determine from time to time shall be eligible to participate in the Plan.

5. Shares Of Common Stock Subject To The Plan; Share Limits.

5.1 Shares Available. Subject to the provisions of Section 7, the capital stock that may be delivered under this Plan shall be shares of the Corporation's authorized but unissued Common Stock and any shares of its Common Stock held as treasury shares.

5.2 Share Limits. The maximum number of shares of Common Stock that may be delivered pursuant to Awards granted under this Plan (the "Share Limit") is equal to the sum of (a) [Number] shares, plus (b) the number of any shares subject to stock options granted under the Corporation's Amended and Restated Stock Option Plan (the "Option Plan") which expire, or for any reason are cancelled or terminated, after the effective date of this Plan without being exercised. The following limits also apply with respect to Awards granted under this Plan:

(a) The maximum number of shares of Common Stock subject to those options and stock appreciation rights that are granted during any calendar year to any individual under this Plan is [Number] shares.

(b) The maximum number of shares of Common Stock subject to all Awards that are granted during any calendar year to any individual under this Plan is [Number] shares.

(c) The maximum number of shares of Common Stock that may be delivered pursuant to Awards granted under this Plan, other than pursuant to Options and Stock Appreciation Rights, is [Number]. This limit does not apply, however, to shares delivered in respect of compensation earned but deferred.

5.3 Awards Settled in Cash, Reissue of Awards and Shares. To the extent that an Award is settled in cash or a form other than shares of Common Stock, the shares that would have been delivered had there been no such cash or other settlement shall not be counted against the shares available for issuance under this Plan. In the event that shares are delivered in respect of a dividend equivalent, stock appreciation right, or other award, only the actual number of shares delivered with respect to the Award shall be counted against the Share Limits of this Plan. Shares that are subject to or underlie Awards which expire or for any reason are cancelled or terminated, are forfeited, fail to vest, or for any other reason are not paid or delivered under this Plan shall again be available for subsequent Awards under this Plan. Shares that are exchanged by a Participant or withheld by the Corporation as full or partial payment in connection with any Award under this Plan or the Option Plan (with respect to such a payment in connection with any award under the Option Plan, only to the extent such transaction occurs after the effective date of this Plan), as well as any shares exchanged by a Participant or withheld by the Corporation to satisfy the tax withholding obligations related to any Award under this Plan or the Option Plan (with respect to such an exchange or withholding in connection with any award under the Option Plan, only to the extent such transaction occurs after the effective date of this Plan), shall be available for subsequent Awards under this Plan.

5.4 Reservation of Shares; No Fractional Shares; Minimum Issue. The Corporation shall at all times reserve a number of shares of Common Stock sufficient to cover the Corporation's obligations and contingent obligations to deliver shares with respect to Awards then outstanding under this Plan (exclusive of any dividend equivalent obligations, to the extent the Corporation has the right to settle such rights in cash). No fractional shares shall be delivered under this Plan. The Committee may pay cash in lieu of any fractional shares in settlements of Awards under this Plan. No fewer than 100 shares may be purchased on exercise of any Award (or, in the case of Stock Appreciation Rights or purchase rights, no fewer than 100 rights may be exercised at any one time) unless the total number purchased or exercised is the total number at the time available for purchase or exercise under the Award.

6. Awards

6.1 The Committee shall determine the type or types of Award(s) to be made to each selected eligible individual. Awards may be granted singly, in combination or in tandem. Awards also may be made in combination or in tandem with, in replacement of, as alternatives to, or as the payment form for grants or rights under any other employee or compensation plan of the Corporation. The types of Awards that may be granted under this Plan are:

(a) Stock Options.

The Committee may, subject to the limitations of this Plan and the availability of shares of Common Stock reserved but not previously awarded under the Plan, grant Stock Options to Employees and Outside Directors, subject to terms and conditions as it may determine, to the extent that such terms and conditions are consistent with the following provisions:

(i) Exercise Price. The Exercise Price shall not be less than one hundred percent (100%) of the Fair Market Value of the Common Stock on the date of grant.

(ii) Terms of Options. In no event may an individual exercise an Option, in whole or in part, more than ten (10) years from the date of grant.

(iii) Non-Transferability. Unless otherwise determined by the Committee, an individual may not transfer, assign, hypothecate, or dispose of an Option in any manner, other than by will or the laws of intestate succession. The Committee may, however, in its sole discretion, permit the transfer or assignment of an Option, if it determines that the transfer or assignment is for valid estate planning purposes and is permitted under the Code and Rule 16b-3 of the Exchange Act. For purposes of this Section 6.1(a), a transfer for valid estate planning purposes includes, but is not limited to, transfers:

(1) to a revocable inter vivos trust, as to which an individual is both settlor and trustee;

(2) for no consideration to: (a) any member of the individual's Immediate Family; (b) a trust solely for the benefit

of members of the individual's Immediate Family; (c) any partnership whose only partners are members of the individual's Immediate Family; or (d) any limited liability corporation or other corporate entity whose only members or equity owners are members of the individual's Immediate Family.

For purposes of this Section, "Immediate Family" includes, but is not necessarily limited to, a Participant's parents, grandparents, spouse, children, grandchildren, siblings (including half brothers and sisters), and individuals who are family members by adoption. Nothing contained in this Section shall be construed to require the Committee to give its approval to any transfer or assignment of any Stock Option or portion thereof, and approval to transfer or assign any Option or portion thereof does not mean that such approval will be given with respect to any other Option or portion thereof. The transferee or assignee of any Option shall be subject to all of the terms and conditions applicable to such Option immediately prior to the transfer or assignment and shall be subject to any other conditions prescribed by the Committee with respect to such Option.

(b) Stock Appreciation Rights. The Committee may grant a Stock Appreciation Right or "SAR" under this Plan. A SAR shall provide a Participant with the right to receive a payment, in cash and/or Common Stock, equal to the excess of the Fair Market Value of a specified number of shares of Common Stock on the date the SAR is exercised over the Fair Market Value of a share of Common Stock on the date the SAR was granted (the "base price") as set forth in the applicable Award Agreement, provided, however, that, in the case of a SAR granted retroactively, in tandem with or as a substitution for another Award, the base price may be no lower than the Fair Market Value of a share of Common Stock on the date such other Award was granted. The maximum term of a SAR shall be ten (10) years.

(c) Restricted Stock Awards.

The Committee may make grants of Restricted Stock Awards, which shall consist of the grant of some number of shares of Common Stock to an individual upon such terms and conditions as it may determine, to the extent such terms and conditions are consistent with the following provisions:

(i) Grants of Stock. Restricted Stock Awards may only be granted in whole shares of Common Stock.

(ii) Non-Transferability. Except to the extent permitted by the Code, the rules promulgated under Section 16(b) of the Exchange Act or any successor statutes or rules:

(1) The recipient of a Restricted Stock Award grant shall not sell, transfer, assign, pledge, or otherwise encumber shares subject to the grant until full vesting of such shares has occurred. For purposes of this section, the separation of beneficial ownership and legal title through the use of any "swap" transaction is deemed to be a prohibited encumbrance.

(2) Unless otherwise determined by the Committee and except in the event of the Participant's death or pursuant to a domestic relations order, a Restricted Stock Award grant is not transferable and may be earned only by the individual to whom it is granted during his or her lifetime. Upon the death of a Participant, a Restricted Stock Award grant is transferable by will or the laws of descent and distribution. The designation of a beneficiary shall not constitute a transfer.

(3) If the recipient of a Restricted Stock Award is subject to the provisions of Section 16 of the Exchange Act, shares of Common Stock subject to the grant may not, without the written consent of the Committee (which consent may be given in the Award Agreement), be sold or otherwise disposed of within six (6) months following the date of grant.

(iii) Issuance of Certificates. Reasonably promptly after the date of grant of shares of Common Stock pursuant to a Restricted Stock Award, the Corporation shall cause to be issued a stock certificate evidencing such shares, registered in the name of the Participant to whom the Restricted Stock Award was granted; provided, however, that the Corporation may not cause a stock certificate to be issued unless it has received a stock power duly endorsed in blank with respect to such shares. Each such stock certificate shall bear the following legend:

The transferability of this certificate and the shares of stock represented hereby are subject to the restrictions, terms and conditions (including forfeiture provisions and restrictions against transfer) contained in the Provident Bankshares Corporation 2004 Equity Compensation Plan entered into between the registered owner of such shares and Provident Bankshares Corporation or its Affiliates. A copy of the Plan and Award Agreement is on file in the office of the Corporate Secretary of Provident Bankshares Corporation.

This legend shall not be removed until the individual becomes vested in such shares pursuant to the terms of the Plan and Award Agreement. Each certificate issued pursuant to this Section 6.1(c) shall be held by the Corporation or its Affiliates, unless the Committee determines otherwise.

(iv) Treatment of Dividends. Participants are entitled to all dividends and other distributions declared and paid on Common Stock with respect to all shares of Common Stock subject to a Restricted Stock Award, from and after the date such shares are awarded or from and after such later date as may be specified by the Committee in the Award Agreement, and the Participant shall not be required to return any such dividends or other distributions to the Corporation in the event of forfeiture of the Restricted Stock Award.

(v) Voting of Restricted Stock Awards. Participants who are granted Restricted Stock Awards may vote all unvested shares of Common Stock subject to their Restricted Stock Awards.

(d) Other Awards. The other types of Awards that may be granted under this Plan include: (a) stock bonuses, performance shares, performance units, phantom stock, dividend equivalents, or similar rights to purchase or acquire shares, whether at a fixed or variable price or ratio related to the Common Stock, upon the passage of time, the occurrence of one or more events, the satisfaction of performance criteria or other conditions, or any combination thereof; (b) any similar securities with a value derived from the value of or related to the Common Stock and/or returns thereon; or (c) cash awards granted consistent with Section 162(m) of the Code.

6.2 Payments and Deferrals. Payment of Awards may be made in the form of cash, Common Stock, or combinations thereof as the Committee shall determine, and with such restrictions as it may impose. The Committee may also require or permit Participants to elect to defer the issuance of shares or the settlement of Awards in cash under such rules and procedures as it may establish under this Plan. The Committee may also provide that deferred settlements include the payment or crediting of interest or other earnings on the deferral amounts, or the payment or crediting of dividend equivalents where the deferred amounts are denominated in shares.

6.3 Consideration for Awards. The purchase price or Exercise Price for any Award granted under this Plan or the Common Stock to be delivered pursuant to an Award, as applicable, may be paid by means of any lawful consideration as determined by the Committee, including, without limitation, one or a combination of the following methods:

(a) cash, check payable to the order of the Corporation, or electronic funds transfer;

(b) notice and third party payment in such manner as may be authorized by the Committee;

(c) the delivery of previously owned shares of Common Stock;

(d) reduction in the number of shares otherwise deliverable pursuant to the Award; or

(e) subject to such procedures as the Committee may adopt, pursuant to a "cashless exercise" with a third party who provides financing for the purposes of (or who otherwise facilitates) the purchase or exercise of Awards.

In no event shall any shares newly-issued by the Corporation be issued for less than the minimum lawful consideration for such shares or for consideration other than consideration permitted by applicable state law. In the event that the Committee allows a Participant to exercise an Award by delivering shares of Common Stock previously owned by such Participant and unless otherwise expressly provided by the Committee, any shares delivered which were initially acquired by the Participant from the Corporation (upon exercise of a stock option or

otherwise) must have been owned by the Participant at least six months as of the date of delivery. Shares of Common Stock used to satisfy the Exercise Price of an option shall be valued at their Fair Market Value on the date of exercise. The Corporation will not be obligated to deliver any shares unless and until it receives full payment of the Exercise Price or purchase price therefor and any related withholding obligations under Section 9.5 and any other conditions to exercise or purchase have been satisfied. Unless otherwise expressly provided in the applicable Award Agreement, the Committee may at any time eliminate or limit a Participant's ability to pay the purchase or Exercise Price of any Award or shares by any method other than cash payment to the Corporation.

7. Effect of Termination of Service on Awards.

7.1 General. The Committee shall establish, in the applicable Award Agreement, the effect of a termination of employment or service on the rights and benefits under each Award under this Plan and in so doing may make distinctions based upon, inter alia, the cause of termination and type of Award.

7.2 Events Not Deemed Terminations of Service. Unless Corporation policy or the Committee otherwise provides, the employment relationship shall not be considered terminated in the case of (a) sick leave, (b) military leave, or (c) any other leave of absence authorized by the Corporation or the Committee; provided that, unless reemployment upon the expiration of such leave is guaranteed by contract or law, such leave is for a period of not more than 90 days. In the case of any Employee on an approved leave of absence, continued vesting of the Award while on leave may be suspended until the Employee returns to service, unless the Committee otherwise provides or applicable law otherwise requires. In no event shall an Award be exercised after the expiration of the term set forth in the Award Agreement.

7.3 Effect of Change of Subsidiary Status. For purposes of this Plan and any Award, if an entity ceases to be an Affiliate of the Corporation a termination of employment or service shall be deemed to have occurred with respect to each individual who does not continue as an Employee or Outside Director with another entity within the Corporation after giving effect to the Affiliate's change in status.

8. Adjustments; Acceleration Upon a Change in Control.

8.1 Adjustments. Upon, or in contemplation of, any reclassification, recapitalization, stock split (including a stock split in the form of a stock dividend) or reverse stock split ("stock split"); any merger, combination, consolidation, or other reorganization; any spin-off, split-up, or similar extraordinary dividend distribution in respect of the Common Stock (whether in the form of securities or property); any exchange of Common Stock or other securities of the Corporation, or any similar, unusual or extraordinary corporate transaction affecting the Common Stock; or a sale of all or substantially all the business or assets of the Corporation as an entirety; then the Committee shall, in such manner, to such extent (if any) and at such times as it deems appropriate and equitable in the circumstances:

(a) proportionately adjust any or all of (1) the number and type of shares of Common Stock (or other securities) that thereafter may be made the subject of Awards (including the specific Share Limits, maximums and numbers of shares set forth elsewhere in this Plan), (2) the number, amount and type of shares of Common Stock (or other securities or property) subject to any or all outstanding Awards, (3) the grant, purchase, or Exercise Price (which term includes the base price of any SAR or similar right) of any or all outstanding Awards, (4) the securities, cash or other property deliverable upon exercise or payment of any outstanding Awards, or (5) the performance standards applicable to any outstanding Awards, or

(b) make provision for a cash payment or for the assumption, substitution or exchange of any or all outstanding Awards, based upon the distribution or consideration payable to holders of the Common Stock.

8.2 The Committee may adopt such valuation methodologies for outstanding Awards as it deems reasonable in the event of a cash or property settlement and, in the case of Options, SARs or similar rights, may base such settlement solely upon the excess if any of the per share amount payable upon or in respect of such event over the Exercise Price or base price of the Award.

8.3 Upon any of the events set forth in Section 8.1, the Committee may take such action prior to such event to the extent that the Committee deems the action necessary to permit the Participant to realize the benefits intended to be conveyed with respect to the Awards in the same manner as is or will be available to stockholders of the Corporation generally. In the case of any stock split or reverse stock split, if no action is taken by the Committee, the proportionate adjustments contemplated by Section 8.1(a) above shall nevertheless be made.

8.4 Automatic Acceleration of Awards. Upon a Change in Control of the Corporation, then each then outstanding Option and SAR shall become fully vested, all Restricted Stock Awards then outstanding shall fully vest free of restrictions, and each other Award granted under this Plan that is then outstanding shall become payable to the holder of such Award. Without limiting the foregoing, the Board of Directors may deem an acceleration to occur immediately prior to the applicable event and/or reinstate the original terms of an Award if an event giving rise to an acceleration does not occur.

9. Miscellaneous Provisions

9.1 Compliance with Laws. This Plan, the granting and vesting of Awards under this Plan, the offer, issuance and delivery of shares of Common Stock, the acceptance of promissory notes and/or the payment of money under this Plan or under Awards are subject to compliance with all applicable federal and state laws, rules and regulations (including, but not limited to, state and federal securities laws) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Corporation, be necessary or advisable in connection therewith. The person acquiring any securities under this Plan will, if requested by the Corporation, provide such assurances and representations to the Corporation as or may be deemed necessary or desirable to assure compliance with all applicable legal and accounting requirements.

9.2 Employment Status. No person shall have any claim or rights to an Award (or additional Awards, as the case may be) under this Plan, subject to any express contractual rights (set forth in a document other than this Plan) to the contrary.

9.3 No Employment/Service Contract. Nothing contained in this Plan (or in any other documents under this Plan or in any Award Agreement) shall confer upon any Participant any right to continue in the employ or other service of the Corporation, constitute any contract or agreement of employment or other service or affect an Employee's status as an employee-at-will, nor shall interfere in any way with the right of the Corporation to change a Participant's compensation or other benefits, or to terminate his or her employment or other service, with or without cause. Nothing in this Section 9.3, however, is intended to adversely affect any express independent right of such Participant under a separate employment or service contract other than an Award Agreement.

9.4 Plan Not Funded. Awards payable under this Plan shall be payable in shares or from the general assets of the Corporation. No Participant, beneficiary or other person shall have any right, title or interest in any fund or in any specific asset (including shares of Common Stock, except as expressly provided otherwise) of the Corporation by reason of any Award hereunder. Neither the provisions of this Plan (or of any related documents), nor the creation or adoption of this Plan, nor any action taken pursuant to the provisions of this Plan shall create, or be construed to create, a trust of any kind or a fiduciary relationship between the Corporation and any Participant, beneficiary or other person. To the extent that a Participant, beneficiary or other person acquires a right to receive payment pursuant to any Award hereunder, such right shall be no greater than the right of any unsecured general creditor of the Corporation.

9.5 Tax Withholding. Upon any exercise, vesting, or payment of any Award, the Corporation shall have the right, at its option, to:

(a) require the Participant (or the Participant's personal representative or beneficiary, as the case may be) to pay or provide for payment of at least the minimum amount of any taxes which the Corporation may be required to withhold with respect to such Award or payment; or

(b) deduct from any amount otherwise payable in cash to the Participant (or the Participant's personal representative or beneficiary, as the case may be) the minimum amount of any taxes which the Corporation may be required to

withhold with respect to such cash payment.

In any case where a tax is required to be withheld in connection with the delivery of shares of Common Stock under this Plan, the Committee may, in its sole discretion (subject to Section 9.1) grant (either at the time of the Award or thereafter) to the Participant the right to elect, pursuant to such rules and subject to such conditions as the Committee may establish, to have the Corporation reduce the number of shares to be delivered by (or otherwise reacquire) the appropriate number of shares, valued in a consistent manner at their Fair Market Value or at the sales price, in accordance with authorized procedures for cashless exercises, necessary to satisfy the minimum applicable withholding obligation on exercise, vesting or payment. In no event shall the shares withheld exceed the minimum whole number of shares required for tax withholding under applicable law. The Corporation may, with the Committee's approval, accept one or more promissory notes from any Participant in connection with taxes required to be withheld upon the exercise, vesting or payment of any Award under this Plan; provided, however, that any such note shall be subject to terms and conditions established by the Committee and the requirements of applicable law.

9.6 Effective Date, Termination and Suspension, Amendments.

(a) This Plan is effective as of [Date]. Unless earlier terminated by the Board, this Plan shall terminate at the close of business on the day before the tenth anniversary of the effective date. After the termination of this Plan either upon such stated expiration date or its earlier termination by the Board, no additional Awards may be granted under this Plan, but previously granted Awards (and the authority of the Committee with respect thereto, including the authority to amend such Awards) shall remain outstanding in accordance with their applicable terms and conditions and the terms and conditions of this Plan.

(b) Board Authorization. Subject to applicable laws and regulations, the Board of Directors may, at any time, terminate or, from time to time, amend, modify or suspend this Plan, in whole or in part; provided, however, that no amendment may have the effect of repricing Options. No Awards may be granted during any period that the Board of Directors suspends this Plan.

(c) Stockholder Approval. To the extent then required by applicable law or any applicable listing agency or required under Sections 162 or 424 of the Code to preserve the intended tax consequences of this Plan, or deemed necessary or advisable by the Board, any amendment to this Plan shall be subject to stockholder approval.

(d) Limitations on Amendments to Plan and Awards. No amendment, suspension or termination of this Plan or change affecting any outstanding Award shall, without the written consent of the Participant, affect in any manner materially adverse to the Participant any rights or benefits of the Participant or obligations of the Corporation under any Award granted under this Plan prior to the effective date of such change. Changes, settlements and other actions contemplated by Section 8 shall not be deemed to constitute changes or amendments for purposes of this Section 9.6.

9.7 Governing Law; Construction; Severability.

(a) This Plan, the Awards, all documents evidencing Awards and all other related documents shall be governed by, and construed in accordance with, the laws of the State of Maryland.

(b) Severability. If a court of competent jurisdiction holds any provision invalid and unenforceable, the remaining provisions of this Plan shall continue in effect.

(c) Plan Construction. Rule 16b-3. It is the intent of the Corporation that the Awards and transactions permitted by Awards be interpreted in a manner that, in the case of Participants who are or may be subject to Section 16 of the Exchange Act, qualify, to the maximum extent compatible with the express terms of the award, for exemption from matching liability under Rule 16b-3 promulgated under the Exchange Act. Notwithstanding the foregoing, the Corporation shall have no liability to any Participant for Section 16 consequences of awards or events under Awards if an Award or event does not so qualify.

9.8 Captions. Captions and headings are given to the sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.

9.9 Non-Exclusivity of Plan. Nothing in this Plan shall limit or be deemed to limit the authority of the Board of Directors or the Committee to grant Awards or authorize any other compensation, with or without reference to the Common Stock, under any other plan or authority.

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated February 23, 2009 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in M&T Bank Corporation's Annual Report on Form 10-K for the year ended December 31, 2008.

/s/ Pricewaterhouse Coopers LLP

PricewaterhouseCoopers LLP

Buffalo, New York

June 3, 2009

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned directors and/or officers of M&T Bank Corporation, a corporation organized under the laws of the State of New York (the "Corporation"), hereby constitutes and appoints René F. Jones, Brian R. Yoshida and Andrea R. Kozlowski, and each of them (with full power to each of them to act alone), his or her true and lawful attorneys-in-fact and agents with full power of substitution and resubstitution, for him or her and on his or her behalf and in his or her name, place and stead, in any and all capacities, to sign, execute and to affix his or her seal to and file with the Securities and Exchange Commission (or any other governmental or regulatory authority) one or more Registration Statement(s) on Form S-8 (or any other appropriate form), and any and all amendments (including post-effective amendments) thereto, with all exhibits and any and all documents required to be filed with respect thereto, relating to the registration under the Securities Act of 1933, as amended, of shares of the Corporation's common stock, par value \$0.50 per share, or other securities to be issued in connection with the acquisition of Provident Bankshares Corporation ("Provident") and related transactions in accordance with the terms of an Agreement and Plan of Merger dated as of December 18, 2008, between the Corporation, First Empire State Holding Corporation, a wholly owned subsidiary of the Corporation and Provident, granting unto said attorneys, and each of them, full power and authority to do and to perform each and every act and thing requisite and necessary to be done in order to effectuate the same as fully to all intents and purposes as he himself or she herself might or could do if personally present, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, each of the undersigned directors and/or officers has hereunto set his or her hand as of the date specified.

Dated: May 19, 2009

Signature

Title

/s/ Robert G. Wilmers

Robert G. Wilmers

Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

/s/ René F. Jones

René F. Jones

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ Michael R. Spychala

Michael R. Spychala

Senior Vice President and Controller
(Principal Accounting Officer)

/s/ Brent D. Baird

Brent D. Baird

Director

Signature	Title
<u>/s/ Robert J. Bennett</u> Robert J. Bennett	Director
<u>/s/ C. Angela Bontempo</u> C. Angela Bontempo	Director
<u>/s/ Robert T. Brady</u> Robert T. Brady	Director
<u>/s/ Michael D. Buckley</u> Michael D. Buckley	Director
<u>/s/ T. Jefferson Cunningham III</u> T. Jefferson Cunningham III	Director
<u>/s/ Mark J. Czarnecki</u> Mark J. Czarnecki	Director
<u>/s/ Colm E. Doherty</u> Colm E. Doherty	Director
<u>/s/ Patrick W.E. Hodgson</u> Patrick W.E. Hodgson	Director
<u>/s/ Richard G. King</u> Richard G. King	Director
<u>/s/ Jorge G. Pereira</u> Jorge G. Pereira	Vice Chairman of the Board
<u>/s/ Michael P. Pinto</u> Michael P. Pinto	Vice Chairman of the Board
<u>/s/ Robert E. Sadler, Jr.</u> Robert E. Sadler, Jr.	Vice Chairman of the Board

Signature

Title

/s/ Melinda R. Rich

Director

Melinda R. Rich

Eugene J. Sheehy

Director

/s/ Herbert L. Washington

Director

Herbert L. Washington