

BERKSHIRE HILLS BANCORP INC

Form 424B3

August 10, 2017

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Registration No. 333-219372

MERGER PROPOSED — YOUR VOTE IS VERY IMPORTANT

Dear Commerce Bancshares Corp. Stockholder:

The boards of directors of Berkshire Hills Bancorp, Inc. and Commerce Bancshares Corp. have agreed to a merger of Commerce Bancshares Corp. with and into Berkshire Hills Bancorp, Inc. (the “Merger”), with Berkshire Hills Bancorp, Inc. as the surviving entity. Immediately thereafter, Commerce Bank & Trust Company will merge with and into Berkshire Bank, with Berkshire Bank as the surviving institution (the “Bank Merger”). Commerce Bancshares Corp. is holding a special meeting on September 21, 2017 at 3:00 p.m., local time, at the main office of Commerce Bank located at 386 Main Street, Worcester, Massachusetts 01615, for its stockholders of record on August 1, 2017, to consider and vote on the Agreement and Plan of Merger, dated as of May 22, 2017, by and between Berkshire Hills Bancorp, Inc. and Commerce Bancshares Corp. (the “Merger Agreement”), which will govern the Merger.

If the Merger is completed, each outstanding share of Commerce Bancshares Corp. common stock will be converted into the right to receive 0.93 shares of Berkshire Hills Bancorp, Inc. common stock (the “Common Stock Consideration”), subject to the provision in the Merger Agreement that no Commerce Bancshares Corp. stockholder shall receive, as aggregated with such stockholder’s immediate family members and affiliates for purposes of 12 C.F.R. §225.41 of Regulation Y (the “Acting in Concert Group”), Berkshire Hills Bancorp, Inc. common stock consideration that would exceed 9.9% of the outstanding Berkshire Hills Bancorp, Inc. common stock as of the effective time of the Merger (the “Voting Stock Consideration Limit”). In the event that any Commerce Bancshares Corp. stockholder, as aggregated with such stockholder’s Acting in Concert Group, would exceed the Voting Stock Consideration Limit, such Commerce Bancshares Corp. stockholder shall receive 0.465 shares of Berkshire Hills Bancorp, Inc. Series B Non-Voting Preferred Stock (“BHLB Preferred Stock Consideration”) for each share of Commerce Bancshares Corp. common stock that is not convertible into Berkshire Hills Bancorp, Inc. common stock as a consequence of the Voting Stock Consideration Limit and convertible under certain circumstances to Berkshire Hills Bancorp common stock to the extent that the Voting Stock Consideration Limit is not exceeded.

Based on Berkshire Hills Bancorp, Inc.’s closing price of \$35.55 on May 19, 2017 (the trading date preceding the public announcement of the proposed transaction), each share of Commerce Bancshares Corp. common stock exchanged for either 0.93 shares of Berkshire Hills Bancorp, Inc. common stock or, to the extent an Acting in Concert Group exceeds the Voting Stock Consideration Limit, 0.465 shares of Berkshire Hills Bancorp, Inc. preferred stock, would have a value of \$33.06 per share, with a proposed aggregate value of approximately \$209.2 million. Based on Berkshire Hills Bancorp, Inc.’s closing price of \$36.85 on July 28, 2017 (the most recent practicable date before the printing of this proxy statement/prospectus), each share of Commerce Bancshares Corp. common stock exchanged for either 0.93 shares of Berkshire Hills Bancorp, Inc. common stock or, to the extent an Acting in Concert Group exceeds the Voting Stock Consideration Limit, 0.465 shares of Berkshire Hills Bancorp, Inc. preferred stock, would have a value of \$34.27, with a proposed aggregate value of approximately \$216.9 million. Berkshire Hills Bancorp, Inc. common stock is listed on the New York Stock Exchange under the symbol “BHLB.” Commerce Bancshares Corp. common stock is not traded on any established public trading market.

Although the number of shares of Berkshire Hills Bancorp, Inc. common stock and preferred stock that holders of Commerce Bancshares Corp. common stock will be entitled to receive is fixed, the market value of the stock consideration will fluctuate with the market price of Berkshire Hills Bancorp, Inc. common stock and will not be known at the time Commerce Bancshares Corp. shareholders vote on the merger. However, as described in more

detail elsewhere in this proxy statement/ prospectus, under the terms of the Merger Agreement, if the average price of Berkshire Hills Bancorp, Inc. common stock over a specified period of time decreases below certain specified thresholds, Commerce Bancshares Corp. would have a right to terminate the Merger Agreement, unless Berkshire Hills Bancorp, Inc. elects to increase the exchange ratio, which would result in additional shares of Berkshire Hills Bancorp, Inc. common stock and preferred stock being issued.

The affirmative vote of the holders of two-thirds of the issued and outstanding shares of common stock of Commerce Bancshares Corp. is required to approve the Merger Agreement. Commerce Bancshares Corp. has scheduled a special meeting so its shareholders can vote on the Merger Agreement. Commerce Bancshares Corp. board of directors has determined that the Merger is advisable and in the best interests of Commerce Bancshares Corp. and Commerce Bancshares Corp. board of directors unanimously recommends that the Commerce Bancshares Corp. shareholders vote "FOR" the adoption of the Merger Agreement.

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This document serves two purposes. It is the proxy statement being used by Commerce Bancshares Corp. board of directors to solicit proxies for use at the Commerce Bancshares Corp. special meeting. It is also the prospectus of Berkshire Hills Bancorp, Inc. regarding the Berkshire Hills Bancorp, Inc. common stock and Berkshire Hills Bancorp, Inc. preferred stock to be issued if the Merger is completed. This document describes the Merger in detail and includes a copy of the Merger Agreement as Annex A.

Only shareholders of record as of August 1, 2017 are entitled to attend and vote at the Commerce Bancshares Corp. special meeting. This document describes the Commerce Bancshares Corp. special meeting, the Merger, the documents related to the Merger, and other related matters of Commerce Bancshares Corp. and Berkshire Hills Bancorp, Inc. Please read this entire document carefully, including the section discussing various risks related to the Merger and ownership of Berkshire Hills Bancorp, Inc. capital stock beginning on page 11. You can obtain information about Berkshire Hills Bancorp, Inc. from documents that have been filed with the Securities and Exchange Commission.

Your vote is very important. Whether or not you plan to attend the Commerce Bancshares Corp. special meeting, please take the time to submit your proxy by completing and mailing the enclosed proxy card, or by telephone or Internet, prior to the special meeting to ensure that your shares of Commerce Bancshares Corp. common stock will be represented and voted at the special meeting. If you do not return the proxy card, it will have the same effect as a vote “AGAINST” the Merger Agreement.

/s/ David G. Massad

David G. Massad
Chairman of the Board
Commerce Bancshares Corp.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION, NOR ANY BANK REGULATORY AGENCY, NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The securities to be issued in connection with the Merger are not savings accounts, deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This proxy statement/prospectus is dated August 4, 2017 and is first being mailed to shareholders of Commerce Bancshares Corp. on or about August 11, 2017.

This document incorporates important business and financial information about Berkshire Hills Bancorp, Inc. from documents filed by it with the Securities and Exchange Commission that have not been included in or delivered with this document. You may read and copy these documents at the Securities and Exchange Commission’s public reference facilities. Please call the SEC at 1-800-SEC-0330 for information about these facilities. This information is also available at the Internet site the SEC maintains at <http://www.sec.gov>. See “Where You Can Find More Information” on page 97.

You also may request copies of these documents from Berkshire Hills Bancorp, Inc. Berkshire Hills Bancorp, Inc. will provide you with copies of these documents, without charge, upon written or oral request to:

Berkshire Hills Bancorp, Inc.
24 North Street
Pittsfield, Massachusetts 01201
Attention: Investor Relations Department
Telephone: (413) 236-3149

If you are a Commerce Bancshares Corp. shareholder and would like to request documents from Berkshire Hills Bancorp, Inc., please do so by September 14, 2017 to receive them before the Commerce Bancshares Corp. special meeting.

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COMMERCE BANCSHARES CORP.

386 Main Street

Worcester, Massachusetts 01608

Notice of Special Meeting of Shareholders

to be held September 21, 2017

A special meeting of shareholders of Commerce Bancshares Corp. will be held at 3:00 p.m., local time, on September 21, 2017 at the main office of Commerce Bank, located at 386 Main Street, Worcester, Massachusetts 01615. Any adjournments or postponements of the special meeting will be held at the same location.

At the special meeting, you will be asked to:

1.

Consider and vote upon a proposal to approve the Agreement and Plan of Merger, dated as of May 22, 2017, by and between Berkshire Hills Bancorp, Inc. and Commerce Bancshares Corp. A copy of the Merger Agreement is included as Annex A to the accompanying proxy statement/prospectus; and

2.

Consider and vote upon a proposal to adjourn or postpone the Commerce Bancshares Corp. special meeting to another time and/or place, if more time is needed to allow Commerce Bancshares Corp. to solicit additional proxies for the approval of the Merger Agreement.

No business may be transacted at the Special Meeting except as specified in this notice. The enclosed proxy statement/prospectus describes the Merger Agreement and the proposed Merger in detail. We urge you to read these materials carefully. The enclosed proxy statement/prospectus forms a part of this notice.

The board of directors of Commerce Bancshares Corp. unanimously recommends that Commerce Bancshares Corp. shareholders vote "FOR" the proposal to approve the Merger Agreement and "FOR" the proposal to adjourn or postpone the special meeting to another time and/or place for the purpose of soliciting additional proxies in order to approve the Merger Agreement.

The board of directors of Commerce Bancshares Corp. has fixed the close of business on August 1, 2017 as the record date for determining the shareholders entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

Your vote is very important. Your proxy is being solicited by Commerce Bancshares Corp.'s board of directors. The proposal to approve the Merger Agreement must be approved by the affirmative vote of holders of at least two-thirds of the outstanding shares of Commerce Bancshares Corp. common stock entitled to vote in order for the proposed merger to be consummated. Whether or not you plan to attend the special meeting in person, we urge you to complete and mail the enclosed proxy card, in the accompanying envelope, which requires no postage if mailed in the United States. You may revoke your proxy at any time before the special meeting. If you attend the special meeting and vote in person, your proxy vote will not be used.

Holders of Commerce Bancshares Corp. who submit to Commerce Bancshares Corp. before the special meeting a written demand for appraisal of their stock in connection with the proposed Merger, who do not vote for the proposal to approve the Merger Agreement, and who otherwise perfect their dissenters' rights by complying with the applicable statutory procedures under Massachusetts law will be entitled to receive a cash payment for the fair value of their stock. A summary of the applicable requirements of Massachusetts law is contained in this proxy statement/ prospectus. See "Questions and Answers About the Merger and the Commerce Bancshares Corp. Special Meeting" on page 1 and "Dissenters' Rights" on page 30. In addition, the text of the applicable provisions of Massachusetts law is attached to this document as Appendix C.

By Order of the Board of Directors

/s/ Pamela Massad

Pamela Massad

Corporate Secretary

Worcester, Massachusetts
August 4, 2017

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE COMMERCE BANCSHARES CORP. SPECIAL MEETING

Q:
WHY AM I RECEIVING THESE MATERIALS?

A:
Berkshire Hills Bancorp, Inc. (“Berkshire Hills Bancorp”) entered into a Merger Agreement with Commerce Bancshares Corp. (“Commerce Bancshares”) pursuant to which Commerce Bancshares will merge with and into Berkshire Hills Bancorp, with Berkshire Hills Bancorp as the surviving entity.

In order to complete the merger of Commerce Bancshares with and into Berkshire Hills Bancorp, the shareholders of Commerce Bancshares must vote to approve the Merger Agreement. Commerce Bancshares will hold a special meeting of its shareholders to solicit this approval, as well as solicit approvals on other merger-related matters. This proxy statement/prospectus contains important information about the Merger, the Merger Agreement, a copy of which is attached as Annex A to this proxy statement/prospectus, the special meeting of Commerce Bancshares shareholders, and other related matters, and we encourage you to read it carefully.

Q:
WHAT WILL COMMERCE BANCSHARES’ SHAREHOLDERS BE VOTING ON AT THE SPECIAL MEETING?

A:
At the special meeting of shareholders of Commerce Bancshares, the shareholders will be asked to vote to (i) approve the Merger Agreement, and (ii) if necessary, to approve a proposal to adjourn or postpone the Commerce Bancshares special meeting for the purpose of allowing additional time to solicit proxies. No business may be transacted at the Commerce Bancshares special meeting except as specified in the notice accompanying this proxy statement/prospectus.

Q:
WHAT DO I NEED TO DO NOW?

A:
After you have carefully read this proxy statement/prospectus, indicate on your proxy card how you want your shares to be voted, then sign and mail it in the enclosed postage-paid envelope as soon as possible so that your shares may be represented and voted at the Commerce Bancshares special meeting. If you sign and send in your proxy card and do not indicate how you want to vote, Commerce Bancshares will count your proxy card as a vote “FOR” approval of the Merger Agreement, and “FOR” approval, if necessary, of the ability to adjourn or postpone the Commerce Bancshares special meeting for the purpose of allowing additional time to solicit proxies.

Q:
WHAT AM I BEING ASKED TO VOTE ON AND HOW DOES MY BOARD RECOMMEND THAT I VOTE?

A:
You are being asked to vote “FOR” the approval of the Merger Agreement and “FOR” approval, if necessary, of the ability to adjourn or postpone the Commerce Bancshares special meeting for the purpose of allowing additional time to solicit proxies. Commerce Bancshares board of directors has determined that the proposed merger is in the best interests of Commerce Bancshares shareholders, has approved the Merger Agreement and recommends that Commerce Bancshares shareholders vote “FOR” the approval of the Merger Agreement. You are also being asked to vote “FOR” the ability to adjourn the meeting and to transact any other business that properly comes before the special meeting, or any adjournment or postponements of the meeting.

Q:

WHAT WILL COMMERCE BANCSHARES SHAREHOLDERS RECEIVE IN THE MERGER?

A:

If the shareholders of Commerce Bancshares approve the Merger Agreement and the other conditions to closing are satisfied, for each share of Commerce Bancshares common stock you own, you will receive 0.93 shares of Berkshire Hills Bancorp common stock and cash in lieu of fractional shares (the “Common Stock Consideration”), subject to the Voting Stock Consideration Limit (as defined below). The Merger Agreement provides that no Commerce Bancshares stockholder, aggregated with such stockholder’s immediate family members and affiliates for purposes of 12 C.F.R. § 225.41 of Regulation Y (the “Acting in Concert Group”) may own more than 9.9% of the outstanding Berkshire Hills Bancorp common stock as of the effective time of the Merger (the “Voting Stock Consideration Limit”). In the event that any Commerce Bancshares stockholder, aggregated with such stockholder’s

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Acting in Concert Group, would otherwise exceed the Voting Stock Consideration Limit, such Commerce Bancshares stockholder shall receive 0.465 shares of Series B Non-Voting Berkshire Hills Bancorp preferred stock (the “Preferred Stock Consideration”) for each share of Commerce Bancshares common stock that is not convertible into Berkshire Hills Bancorp common stock in excess of the Voting Stock Consideration Limit and convertible under certain circumstances to Berkshire Hills Bancorp common stock to the extent that the Voting Stock Consideration Limit is not exceeded. For further information, see “Proposal I — The Proposed Merger — Description of Berkshire Hills Bancorp, Inc. Capital Stock.”

Q:

WHY IS MY VOTE IMPORTANT?

A:

The Merger cannot be completed unless the holders of at least two-thirds (2/3) of the issued and outstanding common stock of Commerce Bancshares vote to approve the Merger Agreement. The failure of a Commerce Bancshares shareholder to vote, by proxy or in person, will have the same effect as a vote against the Merger Agreement.

Q:

HOW DO I VOTE?

A:

You can vote by mail by completing, signing, dating and returning your proxy card in the postage-paid envelope provided. You can also vote in person at the Commerce Bancshares special meeting.

Q:

WHEN AND WHERE IS THE COMMERCE BANCSHARES SPECIAL MEETING?

A:

The Commerce Bancshares special meeting will be held at 3:00 p.m., local time, on September 21, 2017 at the main office of Commerce Bank, located at 386 Main Street, Worcester, Massachusetts 01615.

Q:

WHAT CONSTITUTES A QUORUM FOR THE COMMERCE BANCSHARES SPECIAL MEETING?

A:

The presence at the Commerce Bancshares special meeting, in person or by proxy, of holders representing at least a majority of the outstanding shares of Commerce Bancshares common stock entitled to be voted at the Commerce Bancshares special meeting will constitute a quorum for the transaction of business at the Commerce Bancshares special meeting. Abstentions and broker non-votes, if any, will be included in determining the number of shares present at the meeting for the purpose of determining the presence of a quorum.

Q:

WHAT IS THE VOTE REQUIRED TO APPROVE EACH PROPOSAL AT THE COMMERCE BANCSHARES SPECIAL MEETING?

A:

At the special meeting, the affirmative vote of holders of at least two-thirds of the issued and outstanding shares of Commerce Bancshares common stock is required to approve the Merger Agreement. The vote on the proposal to adjourn or postpone the Commerce Bancshares special meeting for the purpose, among others, of allowing additional time to solicit proxies requires the affirmative vote of holders of a majority of the shares of Commerce Bancshares common stock present in person or by proxy at the special meeting, even if less than a quorum is present.

Q:
ARE COMMERCE BANCSHARES SHAREHOLDERS ENTITLED TO DISSENTERS' RIGHTS?

A:
Yes. Commerce Bancshares common stockholders who submit to Commerce Bancshares before the special meeting a written demand for appraisal of their stock in connection with the proposed Merger, who do not vote for the proposal to approve the Merger Agreement, and who otherwise perfect their dissenters' rights by complying with the applicable statutory procedures will be entitled to dissenters' rights under the Massachusetts Business Corporation Act. For further information, see "Proposal I — The Proposed Merger — Dissenters' Rights."

Q:
IF MY SHARES ARE HELD IN "STREET NAME" BY MY BROKER, WILL MY BROKER VOTE MY SHARES FOR ME?

A:
No. Your broker cannot vote on the merger proposal on your behalf without specific instructions from you. Your broker will vote your shares on the merger proposal only if you provide instructions on how to vote. You should follow the directions provided by your broker.

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Q.

WHAT IF I FAIL TO INSTRUCT MY BROKER?

A:

If you fail to instruct your broker how to vote your shares and the broker submits an unvoted proxy, the resulting broker “non-vote” will be counted toward a quorum at the Commerce Bancshares special meeting, but it will have the same effect as a vote against the Merger Agreement.

Q.

CAN I ATTEND THE SPECIAL MEETING AND VOTE MY SHARES IN PERSON?

A:

Yes. All shareholders of Commerce Bancshares, including shareholders of record and any shareholder who holds their shares “in street name” through banks, brokers, nominees or any other holder of record, are invited to attend the Commerce Bancshares special meeting. Holders of record of Commerce Bancshares common stock can vote in person at the Commerce Bancshares special meeting. If you are not a shareholder of record, you must obtain a proxy card, executed in your favor, from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the special meeting. If you plan to attend the special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership. In addition, you must bring a form of personal photo identification with you in order to be admitted. Commerce Bancshares reserves the right to refuse admittance to anyone without proper proof of share ownership or without proper photo identification.

Q:

CAN I CHANGE MY VOTE AFTER I HAVE VOTED?

A:

Yes. If you have not voted through your broker, there are three ways for you to revoke your proxy and change your vote. First, you may send written notice to the Corporate Secretary of Commerce Bancshares stating that you would like to revoke your proxy. Second, you may complete and submit a new proxy card. Third, you may vote in person at the Commerce Bancshares special meeting. If you have instructed a broker to vote your shares, you must follow the directions you receive from your broker to change your vote. Your last vote will be the vote that is counted.

Q:

SHOULD I SEND IN MY COMMERCE BANCSHARES STOCK CERTIFICATES NOW?

A:

No. You should not send in your stock certificates at this time. You will separately receive a form with instructions for exchanging your Commerce Bancshares stock certificates sometime after we obtain Commerce Bancshares shareholders’ approval and all necessary regulatory approvals.

Q:

I AM ALSO A BERKSHIRE HILLS BANCORP SHAREHOLDER. DO I NEED TO DO ANYTHING WITH MY BERKSHIRE HILLS BANCORP STOCK CERTIFICATES?

A.

No. Berkshire Hills Bancorp shareholders will not exchange their certificates in the Merger. The certificates currently representing shares of Berkshire Hills Bancorp common stock will continue to represent the same number of shares of common stock of Berkshire Hills Bancorp after the Merger.

Q:

WHEN DO YOU EXPECT TO MERGE?

A:

Commerce Bancshares and Berkshire Hills Bancorp are working toward completing the Merger as quickly as possible, and may complete the Merger as early as mid-October 2017. However, Commerce Bancshares and Berkshire Hills Bancorp cannot assure you when or if the Merger will occur. Commerce Bancshares and Berkshire Hills Bancorp must first obtain the approval of the shareholders of Commerce Bancshares and all necessary regulatory approvals.

Q:

WHAT HAPPENS IF THE MERGER IS NOT COMPLETED?

A:

If the Merger is not completed, Commerce Bancshares shareholders will not receive any consideration for their shares of Commerce Bancshares common stock in connection with the Merger. Instead, Commerce Bancshares will remain an independent entity. In addition, if the Merger Agreement is terminated in certain circumstances, a termination fee may be required to be paid by Commerce Bancshares or Berkshire Hills Bancorp. See “Proposal I — The Proposed Merger — Terminating the Merger Agreement” for a complete discussion of the circumstances under which termination fees will be required to be paid.

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Q:
WHAT ARE THE MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER TO U.S. HOLDERS OF COMMERCE BANCSHARES STOCK?

A:
The Merger is intended to qualify for U.S. federal income tax purposes as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Accordingly, U.S. holders of Commerce Bancshares common stock generally will not recognize any gain or loss on the exchange of shares of Commerce Bancshares common stock for shares of Berkshire Hills Bancorp common stock, and generally should not recognize any gain or loss on the exchange of shares of Commerce Bancshares common stock for shares of Berkshire Hills Bancorp preferred stock. However, a U.S. holder of Commerce Bancshares common stock generally will be subject to U.S. federal income tax on cash received in lieu of any fractional share of Berkshire Hills Bancorp common stock or preferred stock that a holder would otherwise be entitled to receive. For further information, see “Proposal I — The Proposed Merger — Material United States Federal Income Tax Consequences of the Merger” beginning on page 51. This tax treatment may not apply to all Commerce Bancshares shareholders. Determining the actual tax consequences of the Merger to Commerce Bancshares shareholders can be complicated and will depend on your particular circumstances. Commerce Bancshares shareholders should consult their own tax advisor for a full understanding of the Merger’s tax consequences that are particular to each shareholder.

Q:
WHOM SHOULD I CALL WITH QUESTIONS OR TO OBTAIN ADDITIONAL COPIES OF THIS PROXY STATEMENT/PROSPECTUS?

A:
Commerce Bancshares shareholders should contact:

Commerce Bancshares Corp.
386 Main Street
Worcester, MA 01608
Attention: William F. Burke, Executive Vice President and Chief Financial Officer
(508) 797-6996

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SUMMARY

This summary highlights selected information in this proxy statement/prospectus and may not contain all of the information important to you. To understand the Merger more fully, you should read this entire document carefully, including the documents attached to this proxy statement/prospectus.

The Companies

Berkshire Hills Bancorp, Inc. and Berkshire Bank

24 North Street

Pittsfield, Massachusetts 01201

(413) 443-5601

Berkshire Hills Bancorp, Inc., a Delaware corporation, is a financial services holding company headquartered in Pittsfield, Massachusetts that was incorporated and commenced operations in 2000. Berkshire Hills Bancorp's common stock is listed on The New York Stock Exchange under the symbol "BHLB." Berkshire Hills Bancorp conducts its operations primarily through Berkshire Bank, a Massachusetts-chartered trust company. Berkshire Bank is headquartered in Pittsfield, Massachusetts, and serves communities throughout Massachusetts, eastern and central New York, southern Vermont, central Connecticut, central New Jersey, and parts of Pennsylvania through its network of 97 full service branch offices and additional commercial and residential loan offices. Berkshire Bank also has a Boston-based national equipment lending business, a Mid-Atlantic based small business lending team and a Mid-Atlantic based national mortgage banking business. Berkshire Bank provides personal and business banking, insurance, and wealth management services. Berkshire Hills Bancorp is also the holding company for Berkshire Insurance Group, an insurance agency in Western Massachusetts. At March 31, 2017, Berkshire Hills Bancorp had total assets of \$9.3 billion, total deposits of \$6.6 billion, total loans of \$6.6 billion and total stockholders' equity of \$1.1 billion. On May 25, 2017, Berkshire Hills Bancorp sold 4,637,690 shares of its common stock at a price to the public of \$34.50 per share resulting in net proceeds of \$152.9 million.

Commerce Bancshares Corp. and Commerce Bank & Trust Company

386 Main Street

Worcester, Massachusetts 01608

(508) 797-6800

Commerce Bancshares Corp., a Massachusetts corporation, is the holding company of Commerce Bank & Trust Company and headquartered in Worcester, Massachusetts. Commerce Bancshares is a privately-held company. Commerce Bank & Trust Company, headquartered in Worcester, Massachusetts, was founded in 1955. Serving as a community bank in the Worcester and Boston areas, Commerce Bank & Trust Company has approximately \$2.2 billion in assets and 16 branches. Commerce Bank & Trust Company offers middle-market lending, specialty finance services, and maintains relationships with multiple Payroll Service Bureau customers. At March 31, 2017, Commerce Bancshares had total assets of \$2.2 billion, total deposits of \$2.0 billion and total loans of \$1.5 billion.

Special Meeting of Commerce Bancshares Shareholders; Required Vote (page 27)

A special meeting of Commerce Bancshares shareholders is scheduled to be held at the main office of Commerce Bank, located at 386 Main Street, Worcester, Massachusetts 01615 at 3:00 p.m., local time, on September 21, 2017. At the special meeting, you will be asked to vote on a proposal to approve the Merger Agreement between Commerce Bancshares and Berkshire Hills Bancorp. If necessary, you will also be asked to vote upon a proposal to adjourn or postpone the Commerce Bancshares special meeting for the purpose, among others, of allowing additional time to solicit proxies.

Only Commerce Bancshares shareholders of record as of the close of business on August 1, 2017 are entitled to notice of, and to vote at, the Commerce Bancshares special meeting and any adjournments or postponements of the meeting. Approval of the Merger Agreement requires the affirmative vote of holders of at least two-thirds of the issued and outstanding shares of Commerce Bancshares common stock entitled to vote. As of the record date, there were 6,328,300 shares of Commerce Bancshares common stock outstanding. Directors of

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Commerce Bancshares who have or share voting power with respect to 6,088,864 outstanding shares of Commerce Bancshares common stock, representing 96.21% of the outstanding shares of Commerce Bancshares common stock as of the record date have agreed with Berkshire Hills Bancorp to vote all of their shares in favor of the Merger at the special meeting.

The Merger and the Merger Agreement (page 32)

The acquisition of Commerce Bancshares is governed by the Merger Agreement. The Merger Agreement provides that, if all of the conditions are satisfied or waived, Commerce Bancshares will be merged with and into Berkshire Hills Bancorp, with Berkshire Hills Bancorp as the surviving entity. Immediately thereafter, Commerce Bank & Trust Company will merge with and into Berkshire Bank, with Berkshire Bank as the surviving institution. We encourage you to read the Merger Agreement, which is included as Annex A to this proxy statement/prospectus.

What Commerce Bancshares Stockholders Will Receive in Consideration to be Received in the Merger (page 49)

If the Merger is completed, each share of Commerce Bancshares common stock will be converted into the right to receive 0.93 shares of Berkshire Hills Bancorp common stock and cash in lieu of fractional shares, subject to the Voting Stock Consideration Limit (as described previously). The Merger Agreement provides that no Commerce Bancshares stockholder, aggregated with such stockholder's Acting in Concert Group may own more than the Voting Stock Consideration Limit. In the event that any Commerce Bancshares stockholder, aggregated with such stockholder's Acting in Concert Group, would otherwise exceed the Voting Stock Consideration Limit, such Commerce Bancshares stockholder shall receive 0.465 shares of Preferred Stock Consideration for each share of Commerce Bancshares common stock that is not convertible into Berkshire Hills Bancorp common stock as a consequence of the Voting Stock Consideration Limit.

Based on Berkshire Hills Bancorp, Inc.'s closing price of \$35.55 on May 19, 2017 (the trading date preceding the public announcement of the proposed transaction), each share of Commerce Bancshares Corp. common stock exchanged for either 0.93 shares of Berkshire Hills Bancorp, Inc. common stock or, to the extent an Acting in Concert Group exceeds the Voting Stock Consideration Limit, 0.465 shares of Berkshire Hills Bancorp, Inc. preferred stock, would have a value of \$33.06 per share, with a proposed aggregate value of approximately \$209.2 million. Based on Berkshire Hills Bancorp, Inc.'s closing price of \$36.85 on July 28, 2017 (the most recent practicable date before the printing of this proxy statement/ prospectus), each share of Commerce Bancshares Corp. common stock exchanged for either 0.93 shares of Berkshire Hills Bancorp, Inc. common stock or, to the extent an Acting in Concert Group exceeds the Voting Stock Consideration Limit, 0.465 shares of Berkshire Hills Bancorp, Inc. preferred stock, would have a value of \$34.27, with a proposed aggregate value of approximately \$216.9 million. Berkshire Hills Bancorp, Inc. common stock is listed on the New York Stock Exchange under the symbol "BHLB." Commerce Bancshares Corp. common stock is not traded on any established public trading market.

Recommendation of Commerce Bancshares' Board of Directors (page 35)

Commerce Bancshares' board of directors has unanimously approved the Merger Agreement and the proposed Merger. The Commerce Bancshares board believes that the Merger Agreement, including the Merger contemplated by the Merger Agreement, is fair to, and in the best interests of, Commerce Bancshares and its shareholders, and therefore unanimously recommends that Commerce Bancshares shareholders vote "FOR" the proposal to approve the Merger Agreement. In reaching this decision, Commerce Bancshares' board of directors considered a variety of factors, which are described in the section captioned "Proposal I — The Proposed Merger — Commerce Bancshares' Reasons for the Merger and Recommendation of the Commerce Bancshares Board" beginning on page 35.

Commerce Bancshares' board of directors unanimously recommends that Commerce Bancshares shareholders vote "FOR" the proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the Merger Agreement.

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Regulatory Matters Relating to the Merger (page 65)

Under the terms of the Merger Agreement, the Merger cannot be completed unless the Merger of Commerce Bancshares and Berkshire Hills Bancorp and the merger of Commerce Bank & Trust Company and Berkshire Bank are approved by the requisite governmental entities and bank regulators, principally, the Federal Deposit Insurance Corporation, the Massachusetts Division of Banks and the Board of Governors of the Federal Reserve System. Berkshire Hills Bancorp and Berkshire Bank have filed the relevant applications.

Conditions to Completing the Merger (page 59)

The completion of the Merger is subject to the fulfillment of a number of conditions, including:

- the effectiveness of the registration statement of which this proxy statement/prospectus forms a part;
- approval of the Merger Agreement by the holders of at least two-thirds of the issued and outstanding shares of Commerce Bancshares common stock entitled to vote;
- receipt of all requisite regulatory approvals to complete the Merger and the bank merger;
- the continued accuracy of each party's representations and warranties made as of the date of the Merger Agreement, except to the extent any inaccuracy does not constitute a material adverse effect (as defined in the Merger Agreement);
- each party complying with its respective obligations and agreements pursuant to the Merger Agreement, except to the extent that noncompliance does not constitute a material adverse effect (as defined in the Merger Agreement);
- as of immediately prior to the completion of the Merger, not more than 5.0% of the issued and outstanding shares of Commerce Bancshares common stock shall have served a written notice of dissent from the Merger Agreement to Commerce Bancshares under the Massachusetts Business Corporation Act;
- receipt of a fully executed agreement by and between Berkshire Hills Bancorp and David G. Massad, the majority owner and Chairman of Commerce Bancshares, with respect to Mr. Massad's proposed ownership of Berkshire Hills Bancorp common stock and preferred stock (which agreement has already been executed by Berkshire Hills Bancorp and David G. Massad);
- confirmation that the Commerce Bancshares subordinated debt obligation has been repaid immediately prior to the consummation of the Merger;
- confirmation by Berkshire Hills Bancorp and Berkshire Bank that all action required to duly elect Pamela Massad and David Brunelle, two Commerce Bancshares board members, to the boards of directors of Berkshire Hills Bancorp and Berkshire Bank has been completed; and
- Berkshire Hills Bancorp and Commerce Bancshares shall each have received the written opinions, dated as of the closing date of the Merger, of Luse Gorman, PC and Nutter McClennen & Fish LLP, respectively, to the effect that the Merger will be treated for federal income tax purposes as a reorganization under Section 368(a) of the Internal

Revenue Code.

Terminating the Merger Agreement (page 67)

The Merger Agreement may be terminated by mutual written consent of Berkshire Hills Bancorp and Commerce Bancshares at any time prior to the completion of the Merger. Additionally, subject to conditions and circumstances described in the Merger Agreement, either Berkshire Hills Bancorp or Commerce Bancshares may terminate the Merger Agreement if, among other things, any of the following occur:

- the Merger has not been consummated by April 30, 2018, provided that the failure to consummate the Merger by such date was not due to terminating party's material breach of any representation, warranty, covenant or other agreement contained in the Merger Agreement;

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- Commerce Bancshares shareholders do not approve the Merger Agreement at the Commerce Bancshares special meeting;

- a required regulatory approval or non-objection is denied or a governmental authority prohibits the Merger; or

- there is a breach by the other party of any representation, warranty, covenant or agreement contained in the Merger Agreement, which cannot be cured, or has not been cured within thirty (30) business days after the giving of written notice to such party of such breach.

Commerce Bancshares may terminate the Merger Agreement if Berkshire Hills Bancorp's stock price falls below thresholds set forth in the Merger Agreement and Berkshire Hills Bancorp does not increase the exchange ratio pursuant to a prescribed formula.

Berkshire Hills Bancorp may terminate the Merger Agreement if (i) Commerce Bancshares receives a superior proposal and has entered into an acquisition agreement with respect to the superior proposal in accordance with the provisions of the Merger Agreement, (ii) the board of directors of Commerce Bancshares submits the Merger Agreement to the Commerce Bancshares stockholders without a recommendation for approval, or (iii) the board of directors of Commerce Bancshares withdraws, modifies or changes its recommendation to stockholders for approval of the Merger Agreement, after having consulted with and considered the advice of its financial and legal advisors. Commerce Bancshares may also terminate the Merger Agreement if Commerce Bancshares has received a superior proposal and the board of directors of Commerce Bancshares had made a determination to accept such superior proposal and complied with the provisions of the Merger Agreement.

Termination Fee (page 67)

Under certain circumstances described in the Merger Agreement, Berkshire Hills Bancorp may be entitled to receive a \$8.6 million termination fee in connection with the termination of the Merger Agreement. Under certain circumstances described in the Merger Agreement, Commerce Bancshares may be entitled to receive a \$4.3 million termination fee in connection with the termination of the Merger Agreement. See "Proposal I — The Proposed Merger — Terminating the Merger Agreement" on page 67 for a list of the circumstances under which a termination fee is payable.

Interests of Certain Persons in the Merger that are Different from Yours (page 54)

In considering the recommendation of the board of directors of Commerce Bancshares to approve the Merger Agreement, you should be aware that officers and directors of Commerce Bancshares have employment and other compensation agreements or economic interests that give them interests in the Merger that are somewhat different from, or in addition to, their interests as Commerce Bancshares shareholders. Some of the interests of the officers and directors include:

- Employment agreements with Brian W. Thompson, President and Chief Executive Officer, William F. Burke, Executive Vice President and Chief Financial Officer, Michael J. Crawford, Executive Vice President and Chief Operating Officer, and a change of control agreement with James R. Belliveau, Executive Vice President and Chief Technology Officer, that provide for cash severance payments and continued health insurance in connection with a termination of employment without cause or for good reason following a change in control, each of which will be terminated in connection with the Merger in exchange for the payment of cash and benefits pursuant to individual acknowledgement agreements that Berkshire Hills Bancorp, Commerce Bancshares and Commerce Bank & Trust Company have entered into with each individual;

- A shareholder agreement by Berkshire Hills Bancorp has entered into with David G. Massad, the majority owner and Chairman of Commerce Bancshares, with respect to Mr. Massad's proposed ownership of Berkshire Hills Bancorp

common stock and preferred stock;

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The Commerce Bancshares 2010 Long-Term Incentive Plan shall terminate in connection with the Merger, and the holder of a phantom stock award, whether or not vested, will receive an amount

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of cash determined by multiplying (i) the excess, if any, of \$34.00 less the applicable per share exercise price of that Commerce Bancshares phantom stock award by (ii) the number of shares of Commerce common stock subject to that Commerce Bancshares phantom stock award, less any required tax withholding;

- A Three-Year Retention Agreement that Berkshire Hills Bancorp, Inc. and Berkshire Bank have entered into with James Belliveau;

- A Consulting and Release Agreement that Berkshire Bank has entered into with each of Brian W. Thompson and Michael J. Crawford; and

- An Acknowledgement Agreement that Berkshire Hills Bancorp, Commerce Bancshares and Commerce Bank & Trust Company have entered into with each of Brian W. Thompson, William F. Burke, Michael J. Crawford and James R. Belliveau;

- The appointment of two individuals who are directors of Commerce Bancshares, Pamela Massad and David Brunelle, to the Berkshire Hills Bancorp and Berkshire Bank boards of directors; and

- Rights of Commerce Bancshares officers and directors to continued indemnification coverage and continued coverage under directors' and officers' liability insurance policies.

Accounting Treatment of the Merger (page 50)

The Merger will be accounted for in accordance with accounting standards for business combinations in accordance with U.S. generally accepted accounting principles.

Comparison of Rights of Shareholders (page 85)

When the Merger is completed, Commerce Bancshares shareholders will become Berkshire Hills Bancorp shareholders and their rights will be governed by Delaware law and by Berkshire Hills Bancorp's certificate of incorporation and bylaws. See "Comparison of Rights of Shareholders" beginning on page 85 for a summary of the material differences between the respective rights of Commerce Bancshares and Berkshire Hills Bancorp shareholders.

Dissenters' Rights (page 30)

Commerce Bancshares shareholders entitled to vote on the Merger have the right to dissent from the Merger. If the Merger is completed, each Commerce Bancshares shareholder who submits to Commerce Bancshares before the special meeting a written demand for appraisal of their stock in connection with the proposed Merger, who does not vote for the proposal to approve the Merger Agreement, and who otherwise perfects their dissenters' rights by complying with all applicable requirements of the Massachusetts Business Corporation Act, will be entitled to receive a cash payment equal to the fair value of their shares of Commerce Bancshares common stock, determined in the manner set forth under the Massachusetts Business Corporation Act, instead of the merger consideration. A dissenting shareholder who files the required written objection with Commerce Bancshares prior to the shareholder vote on the Merger need not vote against the Merger, but a vote in favor of the Merger will constitute a waiver of the shareholder's statutory appraisal rights. A vote against the Merger does not, alone, constitute a written objection. Fair value of Commerce Bancshares common stock in an appraisal proceeding may be more than, less than or the same as the value of merger consideration at the time the Merger is completed. A copy of the section of the Massachusetts Business Corporation Act pertaining to dissenters' appraisals rights is attached as Annex C to this proxy statement/prospectus. You should read the statute carefully and consult with your legal counsel if you intend to exercise these rights.

Material Federal Income Tax Consequences of the Merger (page 51)

The Merger is intended to qualify for U.S federal income tax purposes as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Accordingly, U.S. holders of Commerce Bancshares common stock generally will not recognize any gain or loss on the exchange of shares of Commerce Bancshares common stock for shares of Berkshire Hills Bancorp common stock, and

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generally should not recognize any gain or loss on the exchange of shares of Commerce Bancshares common stock for shares of Berkshire Hills Bancorp preferred stock. However, a U.S. holder of Commerce Bancshares common stock generally will be subject to U.S. federal income tax on cash received in lieu of any fractional share of Berkshire Hills Bancorp common stock or preferred stock that a holder would otherwise be entitled to receive.