

Federal Reserve Bank of Boston  
**BANK NOTES**  
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**Note:** The January issue of *Bank Notes* is available online at: [www.bostonfed.org/economic/banknote/index.htm](http://www.bostonfed.org/economic/banknote/index.htm).

## Mergers and Acquisitions

**Citizens-Union Savings Bank (MHC)** (\$721.1 million) said Jan. 3 that it completed its merger with **Bank of Fall River, A Co-operative Bank** (\$164.6 million), creating a combined financial institution with about \$861 million in assets and \$680 million in deposits. (SNL B&T weekly 1/10/11)

**State Street Corp. unit State Street Global Advisors Inc.** said Jan. 10 that it completed the previously announced acquisition of Dublin-based Bank of Ireland unit Bank of Ireland Asset Management for approximately €57 million (\$73.5 million). (SNL B&T weekly 1/18/11)

**Bridgeport, Conn.-based People's United Financial Inc.** (\$25.04 billion) announced Jan. 20 a definitive agreement to acquire **Danvers, Mass.-based Danvers Bancorp Inc.** (\$2.63 billion) in a deal the two sides value at about \$493 million. (SNL B&T weekly 1/24/11)

**Athol, Mass.-based Athol-Clinton Co-operative Bank** (\$89.2 million) will merge with **Webster, Mass.-based Hometown Bank, A Co-operative Bank** (\$221.4 million), subject to shareholder approval, Telegram.com reported Jan. 20. (SNL B&T weekly 1/31/11)

## Branch Openings

**Eastern Bank** opened a branch in West Roxbury on January 3, 2011.

**Start Community Bank** opened 2 branches, on Whalley Avenue and on Grand Avenue, in New Haven, CT with ribbon-cutting ceremonies held in late January.

## Federal Reserve Announcements

•**The Federal Reserve announced the establishment of offices to promote diversity and inclusion at the Federal Reserve Board and all 12 Federal Reserve Banks.**

The offices will build on the Federal Reserve System's long-standing efforts to promote equal employment opportunity and diversity, and will continue to work to

foster diversity in procurement, with a focus on minority-owned and women-owned businesses. The Dodd-Frank Wall Street Reform and Consumer Protection Act required that diversity and inclusion offices be established at certain federal agencies, including the Federal Reserve Board, and at the Federal Reserve Banks. In addition to promoting diversity at the Board and throughout the System, the Board's Office of Diversity and Inclusion will play an integral role in the development of standards to assess the diversity practices at entities regulated by the Federal Reserve as required by the Dodd-Frank Act.

•**A new online Federal Reserve publication helps consumers** better understand new notices they may receive from lenders when credit reports or credit scores affect a decision to grant credit.

The publication, "[What You Need To Know: New Rules about Credit Decisions and Notices](#)," describes the types of notices consumers may receive and provides links to sample notices. It includes information about what consumers should do if they receive a notice, including instructions on how to dispute credit report errors.

The notices are required by rules issued by the Federal Reserve Board and the Federal Trade Commission. The new rules, which took effect January 1, 2011, generally require a creditor to provide a consumer with a notice when, based on the consumer's credit report, the creditor provides credit to the consumer on terms that are less favorable than those provided to other consumers. Consumers who receive this "risk-based pricing" notice will be able to obtain a free credit report to check the report's accuracy.

The publication can be found at [federalreserve.gov](http://federalreserve.gov)

•**The Federal Reserve Board announced preliminary unaudited results** indicating that the Reserve Banks provided for payments of approximately \$78.4 billion of their estimated 2010 net income of \$80.9 billion to the U.S. Treasury. This represents a \$31.0 billion increase in payments to the U.S. Treasury over 2009 (\$47.4 billion of \$53.4 billion of net income). The increase was due primarily to increased interest income earned on securities holdings during 2010.

Under the Board's policy, the residual earnings of each Federal Reserve Bank, after providing for the costs of operations, payment of dividends, and the amount necessary to equate surplus with capital paid-in, are distributed to the U.S. Treasury.

*Release Date: January 10, 2011*

•**The Federal Reserve Board has named ten new members to its Consumer Advisory Council** and designated a new Chair and Vice Chair of the Council for 2011.

The Council advises the Board on the exercise of its responsibilities under the Consumer Credit Protection Act and on other matters in the area of consumer financial services. The Council will hold its regular meetings in Washington, DC, until the designated transfer date upon which certain consumer protection functions will be transferred from the Board to the new Bureau of Consumer Financial Protection, pursuant to the Dodd-Frank Act. As of that date, the Board's Consumer Advisory Council will be dissolved. The Act authorizes the establishment of a Consumer Advisory Board to advise and consult with the Bureau on the exercise of its functions.

*Release Date: January 10, 2011*

•**The federal bank, thrift and credit union regulatory agencies, along with the Farm Credit Administration, announce that the Nationwide Mortgage Licensing System and Registry will begin accepting federal registrations.**

Under the Secure and Fair Enforcement for Mortgage Licensing Act (S.A.F.E. Act) and the final rules, residential mortgage loan originators employed by banks, savings associations, credit unions, or Farm Credit System institutions must register with the registry, obtain a unique identifier from the registry, and maintain their registrations.

Following expiration of the 180-day initial registration period on July 29, 2011, any employee of an agency-regulated institution who is subject to the registration requirements will be prohibited from originating residential mortgage loans without first meeting these requirements. The rules include an exception for mortgage loan originators that originated five or fewer mortgage loans during the previous 12 months and who have never been registered; they would not be required to complete the federal registration process.

The registry announcement is being made by the Board of Governors of the Federal Reserve System, Farm Credit Administration, Federal Deposit Insurance Corporation, National Credit Union Administration, Office of the Comptroller of the Currency, and Office of Thrift Supervision. Further information regarding the registry and the registration process is available at the registry's website:

<http://mortgage.nationwidelicencingsystem.org/fedreg/Pages/default.aspx>.

Board of Governors of the Federal Reserve System  
Farm Credit Administration  
Federal Deposit Insurance Corporation  
National Credit Union Administration  
Office of the Comptroller of the Currency  
Office of Thrift Supervision

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NOTE: Items in this publication focus on developments affecting banking structure in New England. The items are condensations of articles from a selected group of daily newspapers and press releases of federal and state financial regulatory agencies. Their reproduction does not imply our endorsement of the accuracy, opinions or policies reflected in the subject matter. Bank Notes is available without charge. To subscribe, please use our online subscription form. If unable to do so, please call 1-877-973-6535.