

Federal Reserve Bank of Boston
BANK NOTES

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This is the last issue of Bank Notes.

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Mergers and Acquisitions

Farrell Backlund Insurance/Richardson-Cuddy Insurance

Nov 9. Richardson-Cuddy Insurance Agency and Farrell Backlund Insurance Agency have merged. The transaction is not expected to result in job cuts, and Richardson-Cuddy will keep its office in Attleboro, MA. Farrell Backlund is now a partnership between Russel Martorana, Don Backlund, Thomas Rogers, Gregory Arnold and Taunton, Mass.-based Bristol County Savings Bank (MHC). (SNL B&T Weekly 11/14)

New Hampshire Thrift Bancshares/McCrillis & Eldredge Insurance

Nov 10. Newport, N.H.-based New Hampshire Thrift Bancshares Inc. (\$1.04 billion), the holding company of Lake Sunapee Bank FSB, completed the acquisition of McCrillis & Eldredge Insurance Inc. McCrillis & Eldredge Insurance is an independent insurance agency headquartered in Newport. The agency will operate as a division of Lake Sunapee Bank under the name McCrillis & Eldredge Insurance. (SNL B&T Weekly 11/14)

Brookline Bancorp/Bancorp Rhode Island

Nov 18. Brookline Village, Mass.-based Brookline Bancorp Inc. again extended the deadline for Bancorp Rhode Island Inc. shareholders to choose the consideration they wish to receive in the companies' pending merger. The new deadline is 5 p.m. ET on Dec. 2. Bancorp Rhode Island shareholders who have previously submitted an election form and letter of transmittal may change their elections by submitting a new form and letter prior to the new deadline. The deal is expected to complete in the fourth quarter, pending receipt of the remaining regulatory approvals and the satisfaction of other customary closing conditions. (SNL B&T Weekly 11/21)

NBT Bancorp/Hampshire First Bank

Nov 17. NBT Bancorp Inc. (\$5.48 billion) will acquire Manchester, N.H.-based Hampshire First Bank (\$273.0 million) in a deal valued by SNL Financial at \$45.1 million. Each share of Hampshire First's common stock will either

be converted into the right to receive 0.7019 share of NBT common stock or \$15.00 in cash, subject to a 65% stock/35% cash proration. The deal contains a collar, such that the exchange ratio will remain fixed so long as the market value of an NBT common share remains within 20% of \$21.37, as measured during a period near the transaction's close. SNL calculates the deal's value per share to be \$15.10. Pending regulatory and shareholder approval, the deal is expected to close early in the second quarter of 2012. (SNL B&T Weekly 11/21)

Webster First Federal Credit Union/Fitchburg Federal Credit Union

Nov 23. Fitchburg, Mass.-based Fitchburg Federal Credit Union is merging with Worcester, Mass.-based Webster First Federal Credit Union. Fitchburg members have approved the merger, after which Fitchburg Federal will retain its name but will operate as a division of Webster First, according to Fitchburg's website. *Banker & Tradesman* reported that Fitchburg Federal has \$22 million in assets and 3,000 members. Webster First has total assets of \$550 million. (SNL B&T Weekly 11/28)

Hyde Park Savings Bank Corporate Title Change

Nov 1. State savings bank Hyde Park Savings Bank (\$966 million in assets), Hyde Park, MA, changed its corporate title to Blue Hills Bank.

Federal Reserve Announcements

Statement Clarifies Supervisory and Enforcement Responsibilities for Federal Consumer Financial Laws

Nov 17. Five federal financial supervisory agencies issued a statement that explains how the total assets of an insured bank, thrift or credit union will be measured for purposes of determining supervisory and enforcement responsibilities under the Dodd-Frank Wall Street Reform and Consumer Protection Act. Under section 1025 of Dodd-Frank, the Consumer Financial Protection Bureau has exclusive authority to examine for compliance with

federal consumer financial laws and primary authority to enforce those laws for institutions with total assets of more than \$10 billion and their affiliates. Section 1026 confirms that the four prudential regulators—the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of the Comptroller of the Currency—retain supervisory and enforcement authority for other institutions. The policy statement clarifies the application of sections 1025 and 1026 by addressing two key matters: the measure to be used to determine asset size and the schedule for making such determinations. The asset size measure is the total assets reported in the quarterly Reports of Condition and Income (call reports) that banks, thrifts, and insured credit unions are required to file. The statement also explains the need to establish a schedule for determining the size of an institution that avoids unwarranted uncertainty or volatility about the identity of an institution's primary supervisor for federal consumer financial laws. Therefore, the agencies are adapting criteria used for deposit insurance assessment

purposes. After an initial asset size determination based on June 30, 2011, data, an institution generally will not be reclassified unless four consecutive quarterly reports indicate that a change in supervisor is warranted.

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