



THE COMMONWEALTH OF MASSACHUSETTS  
DIVISION OF BANKS  
&  
BOARD OF BANK INCORPORATION  
1000 Washington Street, 10<sup>th</sup> Floor, Boston, Massachusetts 02118

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August 31, 2016

## ACTIVITY REPORT

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This notice serves to inform you concerning activity involving hearings, decisions, and matters pending before either the Commissioner of Banks or the Board of Bank Incorporation.

### BOARD OF BANK INCORPORATION

#### Hearing

September 21, 2016  
First Floor - Hearing Room 1-E  
1000 Washington Street  
Boston, Massachusetts

at 11:00 a.m.

Westfield Financial, Inc., Westfield, Massachusetts – permission to acquire Chicopee Savings Bank, Chicopee, Massachusetts through a merger with its holding company, Chicopee Bancorp, Inc., Chicopee, Massachusetts. Westfield Financial, Inc. is the holding company for Westfield Bank, Westfield, Massachusetts. Comment period ends October 5, 2016.

### DIVISION OF BANKS

#### Decisions

BayCoast Bank, Swansea – permission to relocate its branch office from 95 William Street, New Bedford to 23 Elm Street, New Bedford – approved August 15, 2016. (Note: While this matter remained pending, the street address of the new location was reassigned from 25 Elm Street to 23 Elm Street, New Bedford.)

Berkshire Bank, Pittsfield – notice to establish a branch office at 121 Congress Street, Boston – non-objection issued August 1, 2016.

Century Bank and Trust Company, Somerville – notice to establish a branch office at 258 Washington Street, Wellesley – non-objection issued August 3, 2016.

This Activity Report can be accessed within six business days after the above date at the Division's web site found at <http://www.mass.gov/dob/>

Century Bank and Trust Company, Somerville – permission to close its branch office located at 75 Central Street, Wellesley – approved August 3, 2016.

Polish National Credit Union (Polish National), Chicopee and Chicopee Municipal Employees Credit Union (Chicopee Municipal), Chicopee - permission for Chicopee Municipal to merge with and into Polish National under the charter, by-laws and name of Polish National. The main office of Polish National would remain the main office of the continuing institution and the sole banking office of Chicopee Municipal would be retained as a branch office of Polish National – approved August 8, 2016.

#### Applications/Notices Pending

Boston Private Bank & Trust Company, Boston – permission to establish a branch office at 801 S. Figueroa Street, Los Angeles, California. Filed August 25, 2016.

Cambridge Savings Bank, Cambridge – permission to close its branch office located at 308 Walnut Street, Newton. Comment period ended August 25, 2016.

City of Boston Credit Union, Boston – notice to establish a branch office at 130-132 West Broadway, South Boston. Filed August 17, 2016.

Eastern Bank, Boston – notice to establish a branch office at 339 Squire Road, Revere. Filed August 10, 2016.

Massachusetts Family Credit Union, Lynn – notice to establish a branch office within U.S. Postal Facility, 462 Washington Street, Woburn. Filed August 19, 2016.

Rockland Trust Company (Rockland), Rockland and Bank of Cape Cod, Hyannis – permission to merge under the charter, by-laws and name of Rockland. The main office of Rockland would remain the main office of the continuing institution. As part of this merger transaction, Bank of Cape Cod has petitioned to close its banking offices located at: (1) 1582 Iyanough Road, Hyannis; (2) 232 Main Street, Hyannis; and (3) 445 Main Street, Falmouth. The remaining banking office of Bank of Cape Cod would be retained as a branch office of Rockland. Comment period ended August 3, 2016.

South Shore Bank, Weymouth – notice to establish a branch office at 275 Hancock Street, Quincy. Filed August 19, 2016.

State Street Bank and Trust Company, Boston – permission to establish a limited purpose trust company, State Street Global Advisors Trust Company. Comment period ends September 9, 2016.

Tremont Credit Union, Boston – permission to amend its by-laws to expand the associations which qualify persons for membership. The amendment relative to membership eligibility proposes to now add employees of Eliassen Group, LLC who work in Massachusetts. Comment period ends September 14, 2016.

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#### SEPTEMBER 2016 FILING DATE

Complete applications for the September Activity Report must be received by the Division or the Board on or before 5:00 p.m., Thursday, September 15, 2016.

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COMMUNITY REINVESTMENT ACT DESCRIPTIVE RATINGS AND EVALUATIONS  
WHICH BECAME PUBLIC DURING THE MONTH

The following state-chartered banks and credit unions and licensed mortgage lenders have Community Reinvestment Act descriptive ratings and evaluations describing the basis for the rating issued by the Division of Banks. The ratings, as set out in statute, for a bank's or credit union's record of meeting community credit needs are: Outstanding (O); High Satisfactory (HS); Satisfactory (S); Needs to Improve (NI); and Substantial Noncompliance (SNC). Licensed mortgage lenders are also assigned one of these ratings to describe their record of meeting the mortgage credit needs in the Commonwealth of Massachusetts.

A consolidated list of all ratings can be found at [www.mass.gov/dob](http://www.mass.gov/dob).

A copy of an individual CRA evaluation is available directly from the bank, credit union, or mortgage lender which is required by law to make the material available upon request, or from the Division's web site.

BANK/CREDIT UNION	RATING	DATE OF EXAMINATION
Fall River Municipal Credit Union, Fall River	S	10/13/2015
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MORTGAGE LENDER	RATING	DATE OF EXAMINATION
First Home Mortgage Corporation	S	12/30/2015
Regency Mortgage Corp.	S	04/04/2016

REGULATIONS

FILING OF AMENDMENTS EFFECTIVE AUGUST 12, 2016

The Division has filed final amendments to the following regulations:

- 209 CMR 46.00: *Community Reinvestment*; and
- 209 CMR 50.00: *Parity with Federal Credit Unions*.

**209 CMR 46.00: *Community Reinvestment***

209 CMR 46.00 carries out the purposes of the Community Reinvestment Act (CRA) by establishing the framework and criteria by which the Commissioner assesses a state-chartered bank's or state-chartered credit union's record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of the institution. The regulation also provides that the Commissioner take that record into account in considering certain applications pursuant to 209 CMR 46.29. The Division has amended 209 CMR 46.00 to establish consideration under CRA for low-cost education loans and activities in cooperation with minority- or women-owned financial institutions and low-income credit unions, and made various technical amendments. Click [here](#) for final amendments to 209 CMR 46.00.

## **209 CMR 50.00: *Parity with Federal Credit Unions***

The purpose of 209 CMR 50.00 is to implement G.L. c. 171, s. 6A, which authorizes the Commissioner of Banks to promulgate regulations to grant state-chartered credit unions certain expanded powers in parity with federally-chartered credit unions. The Division has amended 209 CMR 50.00 to add several new types of authorities. In addition, the amendments significantly restructure and streamline procedural requirements by allowing credit unions to exercise certain authorities after notice to the Division or with no notice requirements, rather than requiring that the credit unions receive advance approval from the Division. The amendments also clarify the authority of state-chartered credit unions relative to making or investing in loan participations, and make additional technical changes. Click [here](#) for a detailed summary of the final amendments.

The final amendments to both regulations became effective on August 12, 2016. This filing completes the regulatory process for the amendments to 209 CMR 46.00 and 209 CMR 50.00.

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### FILING OF AMENDMENTS EFFECTIVE AUGUST 26, 2016

The Division has filed final amendments to the following regulations:

- 209 CMR 32.00: *Truth in Lending*;
- 209 CMR 41.00: *The Licensing of Mortgage Loan Originators*; and
- 209 CMR 42.00: *The Licensing of Mortgage Lenders and Mortgage Brokers*.

## **209 CMR 32.00: *Truth in Lending***

Some of the amendments were necessary due to changes in federal law or were enabled by recent amendments to Massachusetts law. These amendments to the regulation include the following: authorizing creditors to use a uniform billing statement for all types of open-end credit accounts under certain conditions; clarifying disclosure and consent requirements regarding automatic deductions from deposit accounts for credit card debt; incorporating authority pursuant to Chapter 482 of the Acts of 2014 for the Commissioner of Banks to waive certain requirements of G.L. c. 140D or 209 CMR 32.00 when a provision of the comparable federal law is determined to conflict with the Massachusetts provision but is not substantially less consumer protective; and adding two sections relative to disclosures provided in a residential mortgage loan transaction which correspond to two provisions that were recently added to the federal Truth in Lending regulation. In addition, the disclosure requirement for variable-rate interest adjustments was amended to better align the timing of this disclosure under 209 CMR 32.00 with the timing of the similar disclosure required under the federal Consumer Financial Protection Bureau's (CFPB) regulation to facilitate compliance for creditors. This revision extends the current period of sixty days to ninety days during which the borrower must receive an advance notice of an interest rate change on the variable rate loan. Click [here](#) for final amendments to 209 CMR 32.00.

## **209 CMR 41.00: *The Licensing of Mortgage Loan Originators***

The amendments include the reduction of certain reporting requirements which were enabled by the Division's participation in the Nationwide Multi-State Licensing System & Registry (NMLS). There are provisions to streamline and clarify notification and regulatory requirements, including an additional amendment regarding notification to the Division from a mortgage loan originator of termination of employment with a mortgage lender or broker to facilitate the transition of sponsorship to a new employer for licensing purposes. Click [here](#) for final amendments to 209 CMR 41.00.

## **209 CMR 42.00: *The Licensing of Mortgage Lenders and Mortgage Brokers***

The amendments primarily make clarifying changes to the regulation, including the following: specifically identifying the NMLS in the regulation; clarifying the required review standards for a licensee's financial statements; and clarifying licensee recordkeeping requirements. In addition, the amendments further clarify trust/escrow account requirements for client funds and specify how a licensee may take corrective action if it does not have the proper trust account and cross-reference the provisions of 209 CMR 32.00, prohibiting brokers and lenders from making or brokering higher-priced mortgage loans if those loans violate any of the referenced sections of 209 CMR 32.00, creating consistency with new federal standards. The amendments also eliminate the Loan Origination and Compensation Agreement as a requirement for mortgage brokers accepting loan applications and clarify what is required to be included in the Financial Statements for mortgage lenders and mortgage brokers. The amendments clarify that a bank that is a subsidiary of a holding company would not require licensure, and define the terms “non-bank subsidiary” and “non-bank affiliate.” Click [here](#) for final amendments to 209 CMR 42.00.

The final amendments became effective August 26, 2016. These filings complete the regulatory process for the amendments to 209 CMR 32.00, 209 CMR 41.00, and 209 CMR 42.00.

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### **FILING OF AMENDMENTS AND REPEAL EFFECTIVE SEPTEMBER 9, 2016**

The Division has filed final amendments to the following regulation:

- 209 CMR 45.00: *The Licensing and Regulation of Check Cashers*.

In addition, the Division has filed the repeal of the following regulation:

- 209 CMR 44.00: *Licensing of Foreign Transmittal Agencies*, as described below.

The amendments to 209 CMR 45.00 expand the scope of the regulation to check sellers, check cashers, and foreign transmittal agencies within the Commonwealth. The purpose of the amendments to 209 CMR 45.00 is to update and consolidate procedures and requirements for licensing/certifying, regulating, and supervising check sellers, check cashers, and foreign transmittal agencies within the Commonwealth. The amendments to 209 CMR 45.00: (1) incorporate sections of 209 CMR 44.00, which is being repealed; (2) update requirements and prohibitions for check cashers and foreign transmittal agencies; and (3) create approval and operational requirements for check sellers. In addition, the amendments deem compliance with applicable provisions of federal law and regulations which do not conflict with state law or opinions of the Division of Banks to be compliance with state law. There are also technical amendments. 209 CMR 44.00 is repealed since its provisions are updated and included in the amendments to 209 CMR 45.00. The new title of 209 CMR 45.00 will be *The Licensing and Regulation of Money Services Businesses*. Click [here](#) for final amendments to 209 CMR 45.00.

The final amendments to 209 CMR 45.00 and the repeal of 209 CMR 44.00 will become effective on September 9, 2016. This filing completes the regulatory process for the amendments to 209 CMR 45.00 and the repeal of 209 CMR 44.00.

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### **BANK AND CREDIT UNION APPLICATION PROCESS TIMING**

As a general rule, applications by banks and credit unions other than those that are subject to a review period set out in statute are intended to be processed and completed within the monthly cycle for which the bank and credit union applies. That review period for such processing is approximately 45 days or less from the date the

application is filed with the Division. A decision on the application is generally issued within 5 business days after the review period is completed. The decision then will be reported on the monthly Activity Report for the month in which the decision was issued. The timing of the overall review process including the issuance of a decision and the listing on the monthly Activity Report will be dependent on the applicant's compliance with all statutory, regulatory and administrative requirements. Applications before the Massachusetts Board of Bank Incorporation are subject to separate timing schedules as set out in the applications of the Board.

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