



COMMONWEALTH OF MASSACHUSETTS

Division of Banks

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DECISION RELATIVE TO THE MERGER OF BANKPROV, AMESBURY, MASSACHUSETTS WITH AND INTO NEEDHAM BANK, NEEDHAM, MASSACHUSETTS

Needham Bank, Needham, Massachusetts has applied to the Division of Banks (Division) for approval to merge with BankProv, Amesbury, Massachusetts pursuant to the provisions of Massachusetts General Laws chapter 167I, section 3. Under the terms of an Agreement and Plan of Merger dated as of June 5, 2025, by and among NB Bancorp, Inc., Needham Bank, 1828 MS, Inc., Provident Bancorp, Inc., and BankProv (Merger Agreement), BankProv will merge with and into Needham Bank (Bank Merger) under the charter, by-laws, and name of Needham Bank (Continuing Institution). The main office of Needham Bank will remain the main office of the Continuing Institution after consummation of the proposed Bank Merger, and the Continuing Institution will retain all of the banking offices of BankProv as branch offices.

The bank merger application was filed in connection with a multi-step transaction in which 1828 MS, Inc., a wholly owned merger subsidiary established by NB Bancorp, Inc. (NB Bancorp) solely to facilitate this multi-step transaction, will merge with and into Provident Bancorp, Inc. (Provident Bancorp), the stock holding company for BankProv. Immediately thereafter, Provident Bancorp will merge with and into NB Bancorp, the stock holding company for Needham Bank (Parent Company Merger). Contingent upon and immediately following the Parent Company Merger, BankProv will merge with and into Needham Bank (collectively, the Proposed Transaction).

Legal and Procedural Requirements

Notice of Needham Bank's application was posted and published as directed by the Division thereby affording opportunity for interested parties to submit comments to the Division. The period for filing comments has expired, and no comments were received. The Division reviewed the application and supplementary materials submitted by Needham Bank in accordance with applicable law, including the statutory criteria of whether competition among banking institutions will be unreasonably affected and whether public convenience and advantage as well as "net new benefits" will be promoted by approval of the Proposed Transaction. The Division also considered both banks' records of performance under the Community Reinvestment Act (CRA) as well as financial and managerial factors.

Pursuant to Massachusetts General Laws chapter 167A, section 3 (Section 3), because Provident Bancorp would merge with and into NB Bancorp simultaneously with the merger of the subsidiary banks and the Bank Merger requires the Division's approval, an application to the Massachusetts Board of Bank Incorporation was not required for the merger of Provident Bancorp with and into NB Bancorp. Section 3 also requires satisfaction of the age of institution and deposit concentration limit set forth in Massachusetts General Laws chapter 167A, section 2. Pursuant to these requirements, the bank to be acquired must have been in existence for not less than three years and a company that would become a bank holding company may not control more than thirty percent (30%) of the total deposits, exclusive of foreign deposits, of all depository institutions in Massachusetts insured by the Federal Deposit Insurance Corporation (FDIC). BankProv was established in 1828 thereby satisfying the age of acquired institution limitation and NB Bancorp, based upon information available as of June 30, 2025, would control approximately 0.95% of the total in-state deposits of the FDIC-insured depository institutions in Massachusetts following the Proposed Transaction. Therefore, the Proposed Transaction satisfies both the age of institution and the deposit concentration limit set forth in Massachusetts General Laws chapter 167A, section 2.

In reviewing the Proposed Transaction, the Division must receive notice from the Massachusetts Housing Partnership Fund (MHPF) that satisfactory arrangements have been made consistent with Massachusetts General Laws chapter 167A, section 4 and the MHPF's affordable housing loan programs. The Division received notice from the MHPF that satisfactory arrangements have been made

for this Proposed Transaction in a letter dated October 7, 2025. Based upon the foregoing, the Division has determined that the multi-step transaction satisfies the requirements of Section 3.

The Parties

Needham Bank is a Massachusetts state-chartered co-operative bank and is the sole banking subsidiary of NB Bancorp. NB Bancorp is a Maryland corporation formed in 2023 in connection with Needham Bank's conversion from a mutual holding company organization to the stock holding company form of organization. NB Bancorp is registered as a bank holding company supervised by the Board of Governors of the Federal Reserve System (Federal Reserve). In addition to its main office in Needham, Massachusetts, Needham Bank operates a network of 10 branch offices serving the Boston area and its surrounding communities in eastern Massachusetts.

As of June 30, 2025, Needham Bank had total assets of approximately \$5.13 billion and total deposits of approximately \$4.28 billion. Needham Bank's deposits are insured up to applicable limits by the FDIC. Needham Bank's capital ratios exceeded the regulatory criteria for classification as a "well-capitalized" depository institution as of June 30, 2025. Needham Bank offers a full range of personal and business checking and deposit services in addition to commercial real estate and residential lending, construction and land development lending, commercial and industrial lending, and consumer lending. Needham Bank controls three subsidiaries including a Massachusetts security corporation, a subsidiary organized to hold real estate investments for Needham Bank, and a subsidiary to hold certain investor tax credit investments.

BankProv is a Massachusetts state-chartered savings bank and is the sole banking subsidiary of Provident Bancorp. Provident Bancorp is a Maryland corporation formed in 2019 in connection with BankProv's conversion from a mutual holding company organization to the stock holding company form of organization. Provident Bancorp is registered as a bank holding company supervised by the Federal Reserve. BankProv operates from its main office in Amesbury, Massachusetts and has six branch offices, including two branch offices in northeastern Massachusetts and four branch offices in southern New Hampshire.

As of June 30, 2025, BankProv had total assets of approximately \$1.54 billion and total deposits of approximately \$1.28 billion. Deposits at BankProv are insured up to allowable limits by the FDIC. Deposit

amounts in excess of the FDIC limits are insured by the Depositors Insurance Fund (DIF). BankProv is a full-service commercial bank providing banking products and services primarily targeted to small and medium-sized commercial customers. BankProv has two wholly owned Massachusetts securities corporations. Information provided with the application indicates that BankProv's two securities corporation subsidiaries will be consolidated or dissolved in connection with the Proposed Transaction.

Competition

Needham Bank submitted materials to address the issue of whether competition among banks will be unreasonably affected by the Proposed Transaction. In analyzing the impact of a proposed transaction on banking competition, the Division considers, but does not rely exclusively upon, the guidelines used by the federal authorities to review bank mergers. These guidelines define relevant geographic markets and measure market concentrations as indicators of competitiveness in the local banking markets. The starting point in the federal analysis is the Herfindahl-Hirschman Index (HHI), an arithmetic measure of market concentration that synthesizes the distribution of market shares and the number of banks in the affected market into a single value.

In the case of the proposed merger of Needham Bank and BankProv, the HHI analysis demonstrates that consummation of the Proposed Transaction will not result in an undue concentration of banking resources. Needham Bank and BankProv operate in the Boston, Massachusetts-New Hampshire Banking Market (Boston Market) as that market is defined by the Federal Reserve for purposes of the HHI analysis. The Boston Market is a highly concentrated banking market on an unweighted deposits basis under the HHI model according to applicable guidelines and would remain a highly concentrated market following this Proposed Transaction. With no change projected in the HHI Index Value on an unweighted basis for the Boston Market and an increase of 1 point in the HHI Index Value on a weighted basis, market concentration would remain essentially unchanged following the combination of BankProv with and into Needham Bank. As a result of the Proposed Transaction, the Continuing Institution would hold 0.95% of the total deposits in the Boston Market. The HHI analysis would therefore support a finding that consummation of the Proposed Transaction will not result in an undue concentration of banking resources.

In addition to reviewing the HHI analysis, the Division considers the competitive impact of a proposed transaction on a community-by-community basis, as well as on the overall banking structure of

the Commonwealth. The assessment areas served by Needham Bank and BankProv, respectively, are contiguous without overlapping. Similarly, the branch office networks maintained by Needham Bank and BankProv extend across significantly contiguous areas without overlapping in any of the same communities. The Needham Bank branch network extends from the metro-west communities surrounding Boston to the communities located immediately north of Boston. The BankProv branch network extends from the North Shore communities further north of Boston and into southern New Hampshire. Needham Bank is planning to maintain all of its current branch offices, as well as all of the branch offices of BankProv. Needham Bank noted the presence of other banks and credit unions in the areas where both banks operate as a further indication that the Proposed Transaction will not have a significant adverse effect on competition nor result in an undue concentration of banking resources in the communities to be served by the Continuing Institution. Based upon the foregoing, the Division finds that the Proposed Transaction will not unreasonably impact competition.

Public Convenience and Advantage

The Division considered the record of the application to determine whether public convenience and advantage will be promoted by the Proposed Transaction. Needham Bank anticipates that current customers of both banks and prospective customers of the Continuing Institution will benefit from the larger, combined branch office and ATM networks of the Continuing Institution and from access to the online and mobile banking platforms currently offered by Needham Bank. The Continuing Institution will operate with a higher available legal lending limit based upon the increased capital level following the Proposed Transaction allowing for larger commercial loans. Needham Bank states that the Proposed Transaction will further benefit the communities currently served by BankProv due to the Continuing Institution's greater capacity to offer residential lending and consumer loan products.

In determining whether to approve a petition under the statutory criteria, the Division is required to consider a showing of "net new benefits" related to the transaction. That term as set out in Massachusetts General Laws chapter 167I, section 3 includes consideration of initial capital investments, job creation plans, consumer and business services, and commitments to maintain and open branch offices, among other factors that the Division may deem necessary. Needham Bank satisfactorily addressed this requirement of the statute. The Continuing Institution anticipates that capital investments related to the Proposed

Transaction will likely be limited to replacing signage at former BankProv office locations, completing any needed improvements to branch offices in the combined branch network, and related expenses associated with completing the Bank Merger and integration of banking operations.

Addressing the impact on employment resulting from the Proposed Transaction, Needham Bank acknowledged that there will be some initial staffing reductions associated with the Proposed Transaction. The Continuing Institution intends to retain all BankProv customer-facing retail branch employees with the expectation that staff reductions will likely occur among BankProv's commercial banking staff and in redundant back office operations. Needham Bank anticipates that the Continuing Institution's expected future growth will create opportunities for additional employment as well as career advancement for current employees of both banks.

The Proposed Transaction is described as an opportunity to better serve existing and prospective customers by providing access to the combined resources and expertise resulting from the combination of the two institutions. Needham Bank states that the Continuing Institution will be able to offer a full range of banking products and services for consumers and small businesses and in a more efficient manner by spreading costs over the larger asset base of the combined institutions. Although Needham Bank indicated that the Continuing Institution will discontinue offering a limited number of product lines and services currently offered by BankProv where such offerings do not align with Needham Bank's business strategy, Needham Bank will offer BankProv customers all of the products, services, and delivery channels now available to Needham Bank's customers. Needham Bank anticipates that the greater size and efficiencies of the Continuing Institution will allow for increased investments in new technologies to develop and deliver improved banking services to current and prospective customers.

As noted in the application materials, Needham Bank ceased to be a member of the DIF effective April 25, 2025. As a result of the Proposed Transaction, BankProv customers will no longer have excess deposit insurance coverage for deposit amounts in excess of FDIC limits. BankProv customers were notified of the prospective loss of DIF coverage in connection with the Proposed Transaction as part of the application process. Based upon the review of all of these factors, the Division finds that the information provided to address the matters of public convenience and advantage, including net new benefits, are consistent with approval of the Proposed Transaction.

Another factor for consideration closely related to the issue of public convenience and advantage is the record of CRA performance by the respective banks. Such review for Massachusetts state-chartered banks includes examination by personnel of the Division. A publicly available descriptive rating and evaluation by a federal bank regulatory agency may also be considered. Needham Bank received a “High Satisfactory” rating in its most recent CRA evaluation conducted by the Division as of March 3, 2025, and received a CRA rating of “Satisfactory” from the Federal Reserve pursuant to an examination completed as of the same date. BankProv received a “Satisfactory” rating in its most recent CRA performance evaluation conducted jointly by the Division and the FDIC as of October 24, 2022. Needham Bank indicated that the Continuing Institution’s CRA assessment area will include all of the current assessment areas of both Needham Bank and BankProv. The Division’s review of the CRA performance of Needham Bank and BankProv also supports the approval of the Proposed Transaction.

Financial and Managerial Considerations

The Division reviews and considers the financial and managerial aspects of the Proposed Transaction. According to materials submitted as part of the application, at the effective time of the Proposed Transaction, each share of issued and outstanding Provident Bancorp common stock will be cancelled and converted into the right to receive, at the election of the holder, either a number of shares of NB Bancorp common stock or cash in accordance with the agreed upon exchange ratios and subject to an agreed upon proration to ensure that 50% of the outstanding Provident Bancorp common stock will be exchanged for NB Bancorp common stock and the remaining 50% for cash consideration. No financing arrangements were reported as necessary to complete this Proposed Transaction. Materials provided with the application indicate that upon consummation of the Proposed Transaction, the Continuing Institution will continue to meet all regulatory capital requirements as a well-capitalized institution.

According to the application, the Board of Directors of NB Bancorp and the Board of Directors of the Continuing Institution upon consummation of the Proposed Transaction will consist of those individuals currently serving as directors of NB Bancorp and Needham Bank, respectively, with the addition of one member from the current Board of Directors of Provident Bancorp and BankProv. The current President and Chief Executive Officer of BankProv will be appointed to the respective board of directors of NB Bancorp and Needham Bank. The principal executive officers of the Continuing Institution will consist of

those individuals currently serving as principal executive officers of Needham Bank. Accordingly, the financial and managerial considerations support approval of the application.

Conclusion

Upon review of the complete record of the application with reference to the relevant statutory and regulatory requirements, the Division concludes that all such requirements have been met and that consummation of the Proposed Transaction is in the public interest. On the basis of these considerations, and subject to the conditions set forth below, approval is granted for BankProv to merge with and into Needham Bank under the charter, by-laws, and name of Needham Bank pursuant to Massachusetts General Laws chapter 167I, section 3. Upon consummation of the Proposed Transaction, the charter of BankProv shall cease to exist; the separate existence of BankProv shall cease; and all rights, privileges, powers, franchises, properties, assets, liabilities, and obligations of BankProv shall be vested in and assumed by Needham Bank. Approval is also granted pursuant to Massachusetts General Laws chapter 167I, section 3 for the Continuing Institution to maintain each of the branch offices of BankProv as branch offices of the Continuing Institution.

The approvals granted herein are subject to the following conditions:

1. That the Proposed Transaction shall not be consummated until all necessary additional regulatory approvals have been obtained;
2. That the Proposed Transaction shall not become effective until a Certificate signed by the Presidents and Clerks, or other duly authorized officers of each bank, indicating that each institution has complied with the provisions of Massachusetts General Laws chapter 167I, section 3 has been returned with my endorsement thereon;
3. That the Proposed Transaction shall not become effective unless the Articles of Merger with my endorsement thereon are filed with the Massachusetts Secretary of State; and
4. That the Proposed Transaction shall be consummated within one year of the date of this Decision.

Mary L. Gallagher
Commissioner of Banks

October 17, 2025
Date