



COMMONWEALTH OF MASSACHUSETTS

Division of Banks

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**Decision
Relative to the Merger of
HarborOne Bank, Brockton, Massachusetts
with and into
Eastern Bank, Boston, Massachusetts**

Eastern Bank, Boston, Massachusetts has applied to the Division of Banks (Division) to merge with HarborOne Bank, Brockton, 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 April 24, 2025 (Merger Agreement), HarborOne Bank will merge with and into Eastern Bank (Bank Merger) under the charter, bylaws, and name of Eastern Bank (Continuing Institution). The main office of Eastern Bank will remain the main office of the Continuing Institution after consummation of the Bank Merger. Eastern Bank has also petitioned the Division to maintain and operate the banking offices of HarborOne Bank existing as of the consummation of the Bank Merger as branch offices of the Continuing Institution. The former banking offices of HarborOne Bank will operate under the name "HarborOne Bank, a division of Eastern Bank" for a transition period of approximately five months following the consummation of the Bank Merger during which the conversion of the applicable core data processing systems and customer data migration into Eastern Bank's core data processing system will be completed.

In connection with the Bank Merger, Eastern Bank has also filed applications with the Division to close five Eastern Bank branch office locations¹ and HarborOne Bank has filed applications requesting approval to close seven HarborOne Bank branch office locations. The bank merger application and branch

¹ Eastern Bank filed an application on June 13, 2025, requesting approval to close a sixth branch office in connection with the Bank Merger for an Eastern Bank branch office located at 45 Main Street, Lakeville, Massachusetts. On September 2, 2025, while the application remained pending, Eastern Bank withdrew the application to close the Lakeville, Massachusetts branch office.

closing applications were filed in connection with a multi-step transaction in which HarborOne Bancorp, Inc. (HarborOne Bancorp), the stock holding company for HarborOne Bank, will merge with and into Eastern Bankshares, Inc. (Eastern Bankshares), the stock holding company for Eastern Bank (Parent Company Merger). Contingent upon and immediately following the Parent Company Merger, HarborOne Bank will merge with and into Eastern Bank (collectively, the Proposed Transaction).

Legal and Procedural Requirements

Notice of Eastern Bank's application to merge with HarborOne Bank 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 one comment was received regarding the merger.² The Division reviewed the application, all related documents including the public comments and the supplementary materials submitted by Eastern 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 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 HarborOne Bancorp would merge with and into Eastern Bankshares 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 HarborOne Bancorp with and into Eastern Bankshares.³ Section 3 also requires that the bank to be acquired in the multi-step transaction must have been in existence for not less than three years and imposes a thirty percent (30%) limit on the total deposits, exclusive of foreign deposits, of all depository institutions insured by the Federal Deposit Insurance Corporation (FDIC) that a company that would become a bank holding company may control. HarborOne

² In total, five comments were received, including four that were related to the associated branch closures.

³ On June 13, 2025, Eastern Bankshares filed an application with the Massachusetts Board of Bank Incorporation (Board) requesting approval to acquire HarborOne Bancorp and become a bank holding company. While the application remained pending, Eastern Bankshares notified the Board that Eastern Bankshares was restructuring the Proposed Transaction whereby the Bank Merger, which was originally proposed to be completed separately from the Parent Company Merger, would be restructured so that the related mergers would now occur simultaneously subject to obtaining required regulatory approvals. Under the revised transaction structure and pursuant to Section 3, the application to the Board was no longer required and was withdrawn by Eastern Bankshares on August 12, 2025.

Bank was originally established as a Massachusetts state-chartered credit union in 1917. HarborOne Bank has continuously operated as a Massachusetts state-chartered depository institution since 1917 through multiple charter type conversions including its conversion from a credit union to a state-chartered cooperative bank in 2013 and most recently its conversion from a state-chartered savings bank to a state-chartered trust company on February 24, 2023. The Continuing Institution following the merger of HarborOne Bank with and into Eastern Bank would control approximately 4.77% of the total in-state deposits of the FDIC-insured depository institutions in Massachusetts. The age and deposit limit requirements of Section 3 are both satisfied in this multi-step transaction.

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 August 20, 2025. Based upon the foregoing, the Division has determined that the multi-step transaction satisfies the requirements of Section 3.

The Parties

Eastern Bank is a Massachusetts state-chartered trust company and is the sole banking subsidiary of Eastern Bankshares. In addition to its main office in Boston, Massachusetts, Eastern Bank operates a network of 109 branch offices located in Massachusetts and New Hampshire. As of June 30, 2025, Eastern Bank reported total assets of approximately \$25.45 billion and total deposits of approximately \$21.36 billion. Eastern Bank's capital ratios exceeded the regulatory criteria for classification as a "well-capitalized" depository institution as of June 30, 2025. Eastern Bank offers a full range of banking and wealth management services for consumers, businesses, government agencies, and nonprofit organizations. Eastern Bank's deposits are insured up to allowable limits by the FDIC.

Eastern Bank has six wholly-owned subsidiaries including two Massachusetts security corporations, a subsidiary organized to hold real estate used for bank premises, a second, dormant real estate subsidiary dedicated to holding and disposing of real estate, and a subsidiary through which investments are made in a solar community development entity to fund investments qualifying for renewable energy investment tax credits. Eastern Bank also owns and operates Cambridge Trust Company of New

Hampshire, Inc., a New Hampshire non-depository trust company providing specialized wealth management services in New Hampshire, which Eastern Bank acquired in connection with the merger of Cambridge Trust Company, Cambridge, Massachusetts with and into Eastern Bank as of July 12, 2024.

HarborOne Bank is a Massachusetts state-chartered trust company and is the sole banking subsidiary of HarborOne Bancorp. HarborOne Bank operates from its main office in Brockton, Massachusetts and maintains a branch network of 30 banking offices located in Massachusetts and Rhode Island. As of June 30, 2025, HarborOne Bank reported total assets of approximately \$5.61 billion and total deposits of approximately \$4.52 billion. HarborOne Bank's capital ratios exceeded the regulatory criteria for classification as a "well-capitalized" depository institution as of June 30, 2025. HarborOne Bank's deposits are insured up to allowable limits by the FDIC.

HarborOne Bank has three wholly-owned subsidiaries that would be acquired by Eastern Bank including HarborOne Mortgage, LLC, Rhode Island Passive Investment Corporation which manages certain assets of HarborOne Bank, and a Massachusetts securities corporation. The application materials indicate that HarborOne Bank's securities corporation subsidiary would be liquidated following the closing of the Proposed Transaction and the operations of HarborOne Mortgage, LLC would be consolidated into Eastern Bank following the completion of the conversion of the core data processing systems.

Competition

Materials have been submitted 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 federal authorities to review bank mergers. Essentially, these guidelines define relevant markets and measure concentration, which is considered an important indicator of competitiveness. 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 Eastern Bank and HarborOne Bank merger, the HHI analysis demonstrates that consummation of the Proposed Transaction will not result in an undue concentration of banking resources. Eastern Bank and HarborOne Bank compete in the Boston, Massachusetts-New

Hampshire Banking Market (Boston Banking Market), as that market is defined by the Board of Governors of the Federal Reserve System for purposes of the HHI analysis. The Boston Banking Market is a highly concentrated banking market on an unweighted basis under the HHI model according to applicable guidelines and would remain a highly concentrated market following this proposed multi-step transaction. However, the 6-point increase in the HHI on an unweighted and no resulting increase in the HHI value on a weighted basis for the Boston Banking Market following the consolidation of HarborOne Bank with and into Eastern Bank would not reflect a significant impact on banking competition under applicable HHI guidelines. Similar results illustrating no substantial lessening of competition are obtained by applying the FDIC's county based analysis to the Massachusetts counties of Bristol, Middlesex, Norfolk, Plymouth, and Suffolk in which Eastern Bank and HarborOne Bank both operate.

In addition to the HHI analysis, the Division considers the competitive impact of the Proposed Transaction on a community-by-community basis, as well as on the overall banking structure of the Commonwealth. A significant overlap is present in the primary geographic areas served by Eastern Bank and HarborOne Bank and the branch office networks of the respective banks are contiguous where they do not overlap. Eastern Bank addressed this banking market overlap and presented information to illustrate that the Proposed Transaction would not have a significant adverse effect on competition nor result in an undue concentration of banking resources in the communities served by the Continuing Institution. Eastern Bank states that the Continuing Institution will continue to meet the financial needs of the shared and contiguous communities currently served by the two banks independently and will be able to create economies of scale to offer a range of products and services more efficiently to consumers, small business, commercial, non-profit, and municipal customers. Eastern Bank explains in the submitted application that HarborOne Bank customers will have greater access to the enhanced banking products and services derived from Eastern Bank's investments in innovation and technology. The Continuing Institution will be able to spread operating costs over a larger combined asset base, allowing the Continuing Institution to operate more efficiently and to compete more effectively with the mid-sized and large banks operating in the Boston Banking Market with whom Eastern Bank currently competes. 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. Eastern Bank asserts that current customers of both banks and prospective customers of the Continuing Institution will benefit from the Continuing Institution's increased asset size, lending capacity, improved efficiency, and commitment to innovation and technology. Eastern Bank states that the increased resources of the combined banks will allow the Continuing Institution to offer enhanced banking products and services over a broader branch office network and to deliver more expansive digital banking services than are currently available to HarborOne Bank customers.

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 Proposed Transaction. That term as set out in Massachusetts General Laws chapter 167I, section 3 includes 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. Eastern 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 HarborOne Bank office locations, completing any needed improvements to branch offices in the combined branch network, and covering the expenses associated with the core data processing system conversion and data migration. Addressing the matter of the Proposed Transaction's impact on employment, Eastern Bank acknowledged that there will be some initial staffing reductions associated with the Proposed Transaction where staffing redundancies are present. The Continuing Institution intends to retain all customer-facing retail branch employees of HarborOne Bank with the expectation that staffing redundancies will likely be concentrated in back-office operations. The Continuing Institution also expects that future growth will create opportunities for additional employment as well as career advancement for current employees of both banks.

Eastern Bank and HarborOne Bank both offer a broad range of loan products for homeowners, consumers, and commercial and small business customers as well as a portfolio of commercial and small business cash management and related services. Eastern Bank anticipates that the Continuing Institution will not eliminate or reduce the products, services, or delivery platforms currently offered or operated by

Eastern Bank and will make all of the products and services available to HarborOne Bank customers across the broader combined network of the Continuing Institution. With the anticipated consolidation of HarborOne Mortgage, LLC into Eastern Bank's operations and the increased resources of the Continuing Institution following the closing of the Proposed Transaction, the Continuing Institution is projected to be able to enhance the level of residential lending offered in the communities served by the Continuing Institution. Customers of both banks will benefit from the Continuing Institution's greater combined resources which will provide the Continuing Institution with the capacity to increase investments in technology to develop and deliver improved offerings of banking and financial products and services to retail, small business, commercial, not-for-profit, and municipal customers. Current customers of both banks will also gain access to a larger network of branch offices and ATMs.

Due to the overlapping and contiguous geographic markets served and the proximity of existing branches of the two banks in some Massachusetts communities, Eastern Bank has identified five Eastern Bank branch office locations and seven HarborOne Bank branch office locations to be closed in conjunction with this Proposed Transaction. Eastern Bank has submitted applications to the Division requesting approval to close each of the following branch office locations: (1) 110 Main Street, Bridgewater; (2) 276 Quincy Street, Brockton; (3) 71 Carver Road, Plymouth; (4) 35 Memorial Parkway, Randolph; and (5) 397 Washington Street, Stoughton. HarborOne Bank has also submitted applications to the Division requesting approval to close each of the following branch office locations: (1) 64 Broad Street, Boston; (2) 14 West Broadway, Boston; (3) 1608 Commonwealth Ave., Brighton; (4) 473 Harvard Street, Brookline; (5) 1739 Massachusetts Ave, Cambridge; (6) One Chestnut Place, Quincy; and (7) 101 Dudley Street, Providence, Rhode Island.

Notice of the applications by Eastern Bank and HarborOne Bank to close the above locations were posted in the impacted branch offices and on the websites of both banks 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 four comments were received regarding the 12 branch office closings noted above.⁴

⁴ Three written comments were filed with the Division during the public comment period relating to the branch closing application filed by Eastern Bank to close the Eastern Bank branch office located at 45 Main Street, Lakeville, Massachusetts. As noted in footnote 1, Eastern Bank withdrew the application to close the Lakeville, Massachusetts branch office on September 2, 2025. The fourth comment related to the closing of the HarborOne Bank application to close the HarborOne Bank branch office located at One Chestnut Place, Quincy.

The Division considered the proposed branch office closings associated with this Proposed Transaction relative to the standards required for a “net new benefits” analysis. Information provided as part of the branch office closing applications illustrates that in six of the twelve proposed branch office closings, the existing Eastern Bank or HarborOne Bank branch location in closest proximity to the branch office designated for closing is within six tenths of a mile. When expanded to a proximity of approximately 1.0 mile, an existing Eastern Bank or HarborOne Bank branch office that would continue to operate as a branch office of the Continuing Institution is present for eleven of the twelve proposed branch office closings. For the remaining location designated for closing, an Eastern Bank branch located in Brockton, Massachusetts, the branch office location of the Continuing Institution with the closest proximity is 1.9 miles away. There are no instances in which the Continuing Institution would exit a Massachusetts community in which an existing Eastern Bank or HarborOne Bank branch office is currently maintained. In addition to increasing Eastern Bank’s presence in its current core market, the Proposed Transaction represents Eastern Bank’s expansion of its branch office network into Rhode Island. The Continuing Institution will operate branch offices in thirteen Massachusetts and Rhode Island communities in which Eastern Bank does not currently maintain a branch office. Accordingly, the Division has determined that a consideration of all of the factors related to public convenience and advantage, including “net new benefits,” supports an approval of the Proposed Transaction.

Related to the issue of public convenience and advantage is the record of Community Reinvestment Act (CRA) performance by the banks that are the parties to this Proposed Transaction. Such review for Massachusetts state-chartered banks includes examination by personnel of the Division. A publicly available descriptive rating and evaluation by a federal or other state bank regulatory agency may also be considered. Eastern Bank received an “Outstanding” rating in its most recent CRA evaluation conducted jointly by the Division and the FDIC as of January 21, 2025. HarborOne Bank received an “Outstanding” rating in its most recent CRA evaluation conducted jointly by the Division and the FDIC as of April 29, 2024. The Division’s consideration of the CRA performances of Eastern Bank and HarborOne Bank also supports the approval of the Proposed Transaction.

Financial and Managerial Considerations

The Division also 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 HarborOne Bancorp common stock issued and outstanding will convert to the right to receive 0.765 shares of Eastern Bankshares common stock and cash in lieu of fractional shares. Subject to allocation procedures ensuring an agreed upon range of HarborOne Bancorp common stock is exchanged for Eastern Bankshares common stock, HarborOne Bancorp common stock may also be exchanged for \$12.00 per share in cash. No financing arrangements were necessary to complete this Proposed Transaction. Materials provided with the merger 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, two directors of HarborOne Bancorp will be appointed to the board of directors of Eastern Bankshares and to the board of directors of Eastern Bank. The principal executive officers of the Continuing Institution will consist of those individuals currently serving as principal executive officers of Eastern Bank. The Division supervises both Eastern Bank and HarborOne Bank and both banks have operated as well-managed depository institutions. 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 HarborOne Bank to merge with and into Eastern Bank under the charter, bylaws, and name of Eastern Bank pursuant to Massachusetts General Laws chapter 167I, section 3. Upon consummation of the Bank Merger, the charter of HarborOne Bank shall cease to exist; the separate existence of HarborOne Bank shall cease; and all rights, privileges, powers, franchises, properties, assets, liabilities, and obligations of HarborOne Bank shall be vested in and assumed by Eastern Bank.

Approval is granted for Eastern Bank to close each of the following branch office locations: (1) 110 Main Street, Bridgewater; (2) 276 Quincy Street, Brockton; (3) 71 Carver Road, Plymouth; (4) 35 Memorial Parkway, Randolph; and (5) 397 Washington Street, Stoughton in accordance with Massachusetts General Laws chapter 167C, section 3. Approval is also granted for HarborOne Bank to close each of the following branch office locations: (1) 64 Broad Street, Boston; (2) 14 West Broadway, Boston; (3) 1608 Commonwealth Ave., Brighton; (4) 473 Harvard Street, Brookline; (5) 1739 Massachusetts Ave, Cambridge; (6) One Chestnut Place, Quincy; and (7) 101 Dudley Street, Providence, Rhode Island in accordance with Massachusetts General Laws chapter 167C, section 3. Finally, approval is also granted pursuant to Massachusetts General Laws chapter 167I, section 3 for Eastern Bank to maintain the remaining banking offices of HarborOne Bank 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

September 26, 2025
Date