



**COMMONWEALTH OF MASSACHUSETTS**  
**DIVISION OF BANKS**

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COMMISSIONER

**Decision**  
**Relative to the Merger of**  
**Berkshire Bank, Pittsfield, Massachusetts**  
**Bank Rhode Island, Providence, Rhode Island**  
**PCSB Bank, Brewster, New York**  
**with and into**  
**Brookline Bank, Brookline, Massachusetts**

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Brookline Bank, Brookline, Massachusetts has applied to the Division of Banks (Division) to merge with Berkshire Bank, Pittsfield, Massachusetts; Bank Rhode Island, Providence, Rhode Island; and PCSB Bank, Brewster, New York pursuant to the provisions of Massachusetts General Laws chapter 167I, section 3. Under the terms of the Agreement and Plan of Merger, dated as of December 16, 2024, Berkshire Bank, Bank Rhode Island, and PCSB Bank will merge with and into Brookline Bank (Bank Merger) under the charter and by-laws of Brookline Bank (Continuing Institution). After consummation of the Bank Merger, and subject to the approval of the Division, the main office of the Continuing Institution will be relocated to 131 Clarendon Street, Boston, Massachusetts 02116. The Continuing Institution will initially retain all of the banking offices of Berkshire Bank, Bank Rhode Island, and PCSB Bank as branch offices. However, after consummation of the Bank Merger, and subject to the approval of the Division, the Continuing Institution anticipates filing applications to close four branches.

The Bank Merger application was filed in connection with a multi-step transaction in which Berkshire Hills Bancorp, Inc. (Berkshire Bancorp), the holding company of Berkshire Bank, will indirectly acquire Brookline Bank, Bank Rhode Island, and PCSB Bank through a merger of Brookline Bancorp, Inc. (Brookline Bancorp), the bank holding company of Brookline Bank, Bank Rhode Island, and PCSB Bank, with and into Berkshire Bancorp (Parent Merger). Contingent upon and immediately following the Parent Merger, Berkshire Bank, Bank Rhode Island, and PCSB Bank will merge with and into Brookline Bank (collectively, the Proposed Transaction).

The name of the Continuing Institution will be changed to “Beacon Bank & Trust” in connection with the Proposed Transaction, and the name of the Berkshire Bancorp will be changed to “Beacon Financial Corporation.” The Continuing Institution will remain a wholly-owned subsidiary of Beacon Financial Corporation.

#### Legal and Procedural Requirements

Notice of Brookline Bank’s application was posted and published as directed by the Division thereby affording opportunity for interested parties to submit comments. The period for filing comments has expired, and three comments were received. The Division considered the issues raised and determined that the response letters from Brookline Bank satisfactorily addressed the submitted comments. The Division reviewed the application and supplementary materials submitted by Brookline 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 all four 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 Brookline Bancorp would merge with and into Berkshire Bancorp simultaneously with the merger of the subsidiary banks and the Bank Merger requires the Division’s approval, an application to the Commonwealth’s Board of Bank Incorporation was not required for the merger of Brookline Bancorp with and into Berkshire Bancorp. Section 3 also requires that the banks 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. 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

transaction in a letter dated July 15, 2025. Based upon the foregoing, the Division has determined that the multi-step transaction satisfies the requirements of Section 3.

### The Parties

Berkshire Bancorp is a Delaware corporation and a holding company that has elected financial holding company status within the meaning of the BHC Act. It is registered with, supervised by, and required to comply with the rules and regulations of the Federal Reserve Bank (FRB). Berkshire Bancorp, through its banking subsidiary Berkshire Bank, provides a full range of financial products and services including personal and business banking, mortgages, wealth management, and insurance. As of March 31, 2025, Berkshire Bancorp had consolidated assets of approximately \$12.0 billion. Berkshire Bancorp has one non-bank subsidiary and two non-subsidiary related entities, all of which would be retained under Beacon Financial Corporation.

Berkshire Bank is a Massachusetts-chartered trust company subject to regulation and examination by the Division. Berkshire Bank is not a member of the Federal Reserve System. Berkshire Bank was originally chartered in 1846 as Berkshire County Savings Bank. Berkshire Bank's main office is in Pittsfield, Massachusetts. It has 83 full-service branch offices in Massachusetts, New York, Connecticut, Rhode Island, and Vermont. Berkshire Bank provides commercial banking, retail banking, consumer lending, private banking, and wealth management. The deposits of Berkshire Bank are insured up to applicable limits by the FDIC. As of March 31, 2025, Berkshire Bank had consolidated assets of approximately \$12.0 billion. Berkshire Bank has 15 wholly-owned subsidiaries, 14 of which would be acquired by the Continuing Institution as part of the Proposed Transaction.

Brookline Bancorp is a Delaware corporation which is a bank holding company under the BHC Act, and subject to regulation by the FRB. Brookline Bancorp, through its banking subsidiaries (Brookline Bank, Bank Rhode Island, and PCSB Bank), offers financial products for consumers, businesses, investors, municipalities, and non-profit organizations. As of March 31, 2025, Brookline Bancorp had consolidated assets of approximately \$11.5 billion. Brookline Bancorp has three non-bank subsidiaries, all of which would be acquired by Beacon Financial Corporation as part of the Proposed Transaction.

Brookline Bank is a Massachusetts-chartered trust company subject to regulation and examination by the Division. Brookline Bank is a member of the Federal Reserve System. Brookline Bank was

originally chartered in 1871 and is headquartered in Brookline, Massachusetts. Brookline Bank has 29 full-service banking offices in Massachusetts. Brookline Bank accepts deposits and provides retail and commercial banking services to its customers. Brookline Bank participates in the SUM network, an alliance of local banks and credit unions that provides surcharge-free use of more than 3,400 automated teller machines by customers of participating institutions. Brookline Bank's deposits are gathered from the general public primarily in the communities in which its banking offices are located. Brookline Bank's lending activities are concentrated primarily in the greater Boston metropolitan area. Multi-family and commercial real estate mortgage lending and the origination of one- to four-family residential mortgage loans comprise a significant portion of Brookline Bank's lending activities. In addition, Brookline Bank offers investment and insurance products and services to its customers through Brookline Investment Services, which is a division of Brookline Bank. The deposits of Brookline Bank are insured up to applicable limits by the FDIC. As of March 31, 2025, Brookline Bank had consolidated assets of approximately \$6.2 billion. Brookline Bank has eight wholly-owned subsidiaries, all of which would be retained by the Continuing Institution as part of the Proposed Transaction.

Bank Rhode Island is a Rhode Island-chartered bank and subject to regulation and examination by the Rhode Island Department of Business Regulation (RIDBR). Bank Rhode Island is a member of the Federal Reserve System. Bank Rhode Island was organized in 1996 and is headquartered in Providence, Rhode Island. Bank Rhode Island has 22 full-service banking offices in the greater Providence, Rhode Island area. Bank Rhode Island accepts deposits and provides retail and commercial banking services to its customers. Bank Rhode Island offers investment and insurance products and services to its customers through BARI Investments, which is a division of Bank Rhode Island. The deposits of Bank Rhode Island are insured up to applicable limits by the FDIC. As of March 31, 2025, Bank Rhode Island had consolidated assets of approximately \$3.4 billion. Bank Rhode Island has five wholly-owned subsidiaries, all of which would be acquired by the Continuing Institution as part of the Proposed Transaction.

PCSB Bank is a New York-chartered bank which serves the banking needs of customers in the Lower Hudson Valley of New York State through its executive offices/headquarters and 14 full-service banking offices located in Dutchess, Putnam, and Westchester Counties, New York. PCSB Bank is subject to regulation and examination by the New York State Department of Financial Services (NYDFS). PCSB

Bank is a member of the Federal Reserve System. PCSB Bank's primary business activity is attracting deposits from the general public and using those funds to originate and purchase commercial real estate loans, business loans, and one-to-four-family real estate loans and to purchase investment securities. In addition, PCSB Bank offers investment products and services to its customers through PCSB Investment Services Corporation, which is a wholly-owned subsidiary of PCSB Bank. The deposits of PCSB Bank are insured up to applicable limits by the FDIC. As of March 31, 2025, PCSB Bank had consolidated assets of approximately \$2.0 billion. PCSB Bank has two wholly-owned subsidiaries, both of which would be acquired by the Continuing Institution as part of the Proposed Transaction.

### Competition

Materials have been submitted to address the issue that competition among banks will not 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 Transaction, the HHI analysis demonstrates that consummation of the transaction will not result in an undue concentration of banking resources. Brookline Bank and Bank Rhode Island compete with Berkshire Bank in the Boston, Massachusetts-New Hampshire Banking Market (Boston Banking Market) and the Providence, Rhode Island-Massachusetts Banking Market (Providence Banking Market) as defined, respectively, by the Board of Governors of the Federal Reserve System for purposes of the HHI analysis.

Brookline Bank ranks as the 11<sup>th</sup> largest institution in the Boston Banking Market, with approximately \$4.56 billion, or 1.47%, of deposits- on a weighted basis. Berkshire Bank ranks as the 32<sup>nd</sup> largest institution in the Boston Banking Market, with approximately \$1.03 billion, or 0.33%, of deposits on a weighted basis. Following the consummation of the Bank Merger, the Continuing Institution would become the 7<sup>th</sup> largest institution in the Boston Banking Market with approximately \$5.60 billion, or 1.80%,

of deposits on a weighted basis. The HHI for the Boston Banking Market resulting from the consolidation of Berkshire Bank with and into the Continuing Institution would increase by only one point when evaluated on either a weighted or unweighted basis and would not reflect a significant impact on banking competition under applicable HHI guidelines.

Bank Rhode Island ranks as the 5<sup>th</sup> largest institution in the Providence Banking Market, with approximately \$2.51 billion, or 5.65%, of deposits on a weighted basis. Berkshire Bank ranks as the 15<sup>th</sup> largest institution in the Providence Banking Market, with approximately \$252.85 million, or 0.57%, of deposits on a weighted basis. Following the consummation of the Bank Merger, the Continuing Institution would remain the 5<sup>th</sup> largest institution in the Providence Banking Market with approximately \$2.76 billion, or 6.22%, of deposits on a weighted basis. The HHI for the Providence Banking Market resulting from the consolidation of Bank Rhode Island with and into the Continuing Institution would increase by seven points on a weighted basis and six points on an unweighted basis. The increase in the HHI would not reflect a significant impact on banking competition under applicable HHI guidelines.

The Division notes that an HHI analysis was not completed on the applicable New York market in which PCSB operates because none of the other three banks significantly compete with PCSB in the New York market.

In addition to 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. Brookline Bank has provided information indicating that the Proposed Transaction will not have a significant adverse effect on banking competition in the communities in which all four banks operate because of the large amount of competition from other financial institutions in the areas where the banks conduct business. The Division notes that multiple strong competitors would remain in the Boston Banking Market, including six other banking organizations that would still have a larger market share of deposits than the Continuing Institution. Finally, PCSB Bank's branch network does not overlap with Brookline Bank, Bank Rhode Island, or Berkshire Bank. Accordingly, the review of the Proposed Transaction's impact on competition supports its approval.

### Public Convenience and Advantage

The Division next considered the record of the application to determine whether public convenience and advantage will be promoted. Brookline Bank indicates that the banking public will benefit as a result of the Proposed Transaction. As discussed further below, the Proposed Transaction will permit Brookline Bank, Bank Rhode Island, PCSB Bank and Berkshire Bank, and their respective holding companies, to pool their financial resources, reduce costs, diversify risk, and better serve their communities by offering a broader array of products and services with a more robust range of features and a greater level of customer service through a more extensive network of affiliated banking offices.

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 section 3 of said chapter 167I 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. Brookline Bank addressed this requirement of the statute. The Continuing Institution plans to make capital investments in new technology, equipment, and updated signage at current branch locations for Bank Rhode Island, PCSB Bank, and Berkshire Bank.

According to the application, the Proposed Transaction will allow the Continuing Institution to provide substantial benefits to the customers of the banks through the additional convenience of access to the banks’ consolidated network of full-service branch offices located throughout Massachusetts, New York, Rhode Island, Connecticut, and Vermont. Management of Brookline Bancorp and Berkshire Bancorp have worked collaboratively to complete a comprehensive comparison and analysis of the products and services offered by each of their respective organizations to evaluate and determine the product and service offerings of the Continuing Institution. Brookline Bank states in the application that the product and service offerings of the Continuing Institution will be as robust and comprehensive as the current offerings of the banks. Management of Brookline Bancorp and Berkshire Bancorp have committed to maintaining the core characteristics of each of their respective products and services. Where the banks offer duplicative products, there may be some streamlining of such products for efficiency but while products may be aligned, no products or services categories are being discontinued. Brookline Bank separately petitioned the Division for authority to establish a trust department in connection with this Proposed Transaction. That

authority has been granted by a separate letter from the Division. Because the consolidated structure will enable Berkshire Bancorp, as the holding company of the Continuing Institution, to more effectively manage the operations of the Continuing Institution, Berkshire Bancorp and Brookline Bancorp anticipate that the Proposed Transaction will have a positive impact on the customers and communities currently served by the banks. Furthermore, the centralized oversight and management structure of the Continuing Institution, as well as the Continuing Institution's uniform banking approach, will allow for more consistent lending practices with strong credit underwriting and product offerings across the branches of the Continuing Institution. Finally, the Proposed Transaction will enable additional investments in technology and client experience improvements, as well as significantly increase the Continuing Institution's lending capacity.

The Continuing Institution anticipates filing applications to close four branches in connection with the Proposed Transaction, three of which are in Rhode Island and one of which is in Massachusetts. The proposed branch consolidations are all the result of overlap and proximity between existing branch locations of the Banks. Subject to approval of the proposed branch closings, the Continuing Institution would have 148 full-service branches throughout Massachusetts, Rhode Island, New York, Connecticut, and Vermont to the benefit of customers of the banks. According to the application, there are no plans to eliminate any retail branch employees. Furthermore, Brookline Bank anticipates that the Continuing Institution's future growth and expansion will create new jobs. The Division has determined that a consideration of all of the factors above related to public convenience and advantage, including net new benefits, are consistent with approval of the Proposed Transaction.

Related to the issue of public convenience and advantage is the record of CRA performance by the banks that are parties to this transaction. Such review for Massachusetts-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. Brookline Bank received a "Satisfactory" rating in its most recent CRA performance evaluation conducted concurrently by the Division and the FRB as of September 9, 2024. Bank Rhode Island received a "Satisfactory" rating in its most recent CRA performance evaluation conducted by the FRB as of September 9, 2024. PCSB Bank received a "Satisfactory" rating in its most recent CRA performance evaluations conducted by the NYDFS as of December 31, 2023 and by



the FRB as of January 22, 2024. Berkshire Bank received a “Satisfactory” rating in its most recent CRA performance evaluation conducted jointly by the Division and the FDIC as of April 19, 2022. According to the application, the anticipated CRA assessment area of the Continuing Institution will include the entirety of the current CRA assessment areas of the four banks. By connecting the current banking markets of each bank with branch offices of the other banks, the Continuing Institution will be able to provide improved services to customers in these areas. Ultimately, the combined banking organization will be better positioned to make community development loans and investments given Brookline Bank’s experience with commercial products and services.

#### Financial and Managerial Considerations

The Division also reviews and considers the financial and managerial aspects of the proposed transaction. As a result of the Proposed Transaction, each issued and outstanding share of Brookline Bancorp common stock will be converted into the right to receive a combination of 0.42 shares of Berkshire Bancorp common stock and cash in lieu of fractional shares. Because all the banks will be wholly-owned subsidiaries of Berkshire Bancorp at the time the Bank Merger is effectuated, no additional consideration will be paid in connection with the Bank Merger. Each share of the stock of Berkshire Bank, Bank Rhode Island, and PCSB Bank issued and outstanding immediately prior to the Bank Merger shall immediately be cancelled and retired and shall cease to exist. Materials provided indicate that upon consummation of the Proposed Transaction, the Continuing Institution will continue to meet all regulatory capital requirements.

According to the application, as of the effective time of the Proposed Transaction (Effective Time), Berkshire Bancorp and the Continuing Institution will each have sixteen directors, of which eight will be directors from Berkshire Bancorp immediately prior to the Effective Time and eight will be directors from Brookline Bancorp immediately prior to the Effective Time. Additionally, the current Chairperson of Berkshire Bancorp and Berkshire Bank will continue to serve as the Chairperson of the board of directors of Berkshire Bancorp and will serve as the Chairperson of the Continuing Institution for a term of at least two years (assuming he is elected for a second term). Brookline Bancorp’s current Chairman and Chief Executive Officer, and Chairman of Brookline Bank will serve as the President and Chief Executive Officer, and a member of the board of directors, of Berkshire Bancorp and the Continuing Institution for a term of

at least two years (assuming he is elected for a second term). Accordingly, the financial and managerial considerations support approval of the Proposed Transaction.

### 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 Berkshire Bank, Bank Rhode Island, and PCSB Bank to merge with and into Brookline Bank under the charter and by-laws of Brookline Bank and name of “Beacon Bank & Trust” pursuant to section 3 of chapter 167I of the General Laws. Upon consummation of the Bank Merger, the charter of Berkshire Bank shall cease to exist; the separate existence of Berkshire Bank, Bank Rhode Island, and PCSB Bank shall cease; and all rights, privileges, powers, franchises, properties, assets, liabilities, and obligations of Berkshire Bank, Bank Rhode Island, and PCSB Bank shall be vested in and assumed by the Continuing Institution.

Finally, approval is granted pursuant to Massachusetts General Laws chapter 167I, section 3 for Brookline Bank to maintain the remaining in-state banking offices of Berkshire Bank as branch offices of the Continuing Institution. Approval is granted pursuant to Massachusetts General Laws chapter 167C, section 6 for Brookline Bank to maintain the remaining out-of-state banking offices of Berkshire Bank, Bank Rhode Island, and PCSB Bank as branch offices of the Continuing Institution

The approval granted herein is 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 for 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 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

August 8, 2025  
Date