THE COMMONWEALTH OF MASSACHUSETTS

OFFICE OF THE COMMISSIONER OF BANKS

1000 WASHINGTON STREET, 10TH FLOOR

BOSTON, MASSACHUSETTS 02118

# APPLICATION FOR APPROVAL TO MERGE OR CONSOLIDATE CREDIT UNIONS

 PURSUANT TO MASSACHUSETTS GENERAL LAWS CHAPTER 171, SECTION 78, APPLICATION IS HEREBY MADE BY

 LEGAL NAME OF

 APPLICANT

 CREDIT UNION: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 MAIN OFFICE ADDRESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 TELEPHONE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 LEGAL NAME OF

 DISCONTINUING

 CREDIT UNION: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 MAIN OFFICE ADDRESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

TELEPHONE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

FOR WRITTEN APPROVAL OF THE COMMISSIONER OF BANKS TO MERGE OR TO CONSOLIDATE INTO A SINGLE CORPORATION, HEREINAFTER THE CONTINUING CREDIT UNION, AS FOLLOWS:

 NAME : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 MAIN OFFICE ADDRESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 THIS APPLICATION IS TO BE FILED TOGETHER WITH THE APPENDICES IN DUPLICATE. ANSWERS MUST BE PROVIDED FOR EACH QUESTION CONTAINED IN THIS APPLICATION. USE SUPPORTING SCHEDULES WHERE NECESSARY.

AN APPLICATION FEE IN THE AMOUNT OF $250.00 PAYABLE TO THE DIVISION OF BANKS MUST BE SUBMITTED BY THE APPLICANT AT THE TIME OF FILING OF THE APPLICATION.

 OTHER APPLICABLE PROVISIONS OF SAID SECTION 78 MUST BE COMPLIED WITH PRIOR TO THE COMMISSIONER’S FINAL ACTION ON THIS APPLICATION.

 APPLICATION

 COORDINATOR: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 TITLE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 MAILING

 ADDRESS: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 TELEPHONE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 FAX: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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 PROCEDURE FOR CONSIDERATION OF AN APPLICATION FOR ACTION

 BY A CREDIT UNION .

1. Two collated copies of an application containing the information requested on the attached pages must be filed before 5 P.M. on the fifteenth of the month of application, provided, however, that when the fifteenth falls on a Sunday or a legal holiday the next business day shall be the filing day. The application is to be addressed to the Commissioner of Banks and sent to the attention of the Legal Unit.

2. Upon acceptance of a completed application, the Division of Banks will forward a copy of a notice. The notice must appear one or more times in a newspaper/newspapers designated by the Division, generally ten to fourteen days prior to the end of the public comment period, or as directed by the Division.

3. Copies of the notice must be posted in the lobby at all offices of the applicant upon receipt and remain posted until the end of the comment period.

4. Any person other than the applicant should file communications, including briefs, in favor of or in protest not later than the end of the comment period. Comments received by the Division will be forwarded to the applicant.

5. All communications, including the application, will be available for public inspection at this Division. The entire application is a public record as defined by Massachusetts General Laws chapter 66, section 10. Therefore, reference to CAMEL ratings may not be used in any narrative or financial analysis as support for the transaction.

6. A public hearing may be held if the response is considered significant or circumstances warrant such a hearing, as determined by the Commissioner. If a public hearing is to be held, this Division will then forward further information.

7. The Division will send all information relative to the application to the application coordinator specified by the applicant.

 8. A subsequent written notification is to be submitted by the applicant to the Commissioner of Banks of the consummation of the transaction within one year of the approval date. Extensions of time may be granted at the discretion of the Commissioner upon written request detailing the applicant's reason for seeking the time extension. A filing fee of $100.00 is required for an extension. The applicant should obtain additional instructions from the Division prior to seeking an extension.

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CREDIT UNION MERGER OR CONSOLIDATION APPLICATION

 Submit a statement commenting on the reasons for the proposed merger or consolidation and the following information. All responses must be made in sequence and labeled as indicated in this application. If an item is not applicable, please explain why.

 1. Describe the proposed transaction and provide an executed merger or consolidation plan of agreement.

1. State which charter and by-laws the continuing credit union will operate under and if amendments are to be made include the amended documents with an explanation of the changes thereto.
2. A copy of the current by-law provisions governing conditions of association which qualify persons for membership in each credit union.
3. A. A map and list of the locations of the main office and branch offices for each subject credit union. Indicate whether each office was opened de novo or by acquisition. If not stated in the merger or consolidation document(s), state whether or not all banking offices of both credit unions will be retained as banking offices of the continuing credit union. If applicable, comment on any plans to close any such offices as a result of this transaction.
4. A list of the competing financial institutions located in towns whereby both subject credit unions have an office. Provide a map showing the location of each such institution in each city or town in which the continuing credit union plans to close an office, and the distance from the competing institution to the subject office.
5. A map and explanation of the delineation basis for each credit union’s primary service area.
6. The number and dollar amount of the major types of loans and deposits that each credit union derives from the other credit union’s primary service area.
7. The new services which will be offered to the members by the continuing credit union and which offices of such credit union will provide these services.
8. A list of any previous merger or consolidation applications by each credit union and the final action taken on any such application.
9. The benefits which will accrue to the continuing credit union as a result of the merger or consolidation that were unavailable to each credit union before the merger or consolidation.
10. Provide a statement showing net new benefits to be derived from the proposed transaction. The term net new benefits means initial capital investments, job creation plans, consumer and business services, commitments to maintain and open branch offices within a credit union’s delineated local community and such other matters as may be deemed to benefit the community.
11. In accordance with Regulatory Bulletin 2.2-103, exclusive lease provisions and restrictive covenants are defined as clauses which have the effect of regulating or limiting competition by precluding the sale or lease of a site or related space to a competing institution thereby frustrating the ability of that site or related space to benefit the public. State whether or not either of the subject credit unions is a party to any deed, lease or other agreement which contains any such exclusive provision or covenant. If applicable, provide a copy of and comment on the exclusive provision or covenant.

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1. Provide the proposed choices for directors and principal officers of the continuing credit union and include statements of relevant background and experience. State the procedure used in choosing directors for the continuing credit union.
2. Provide information regarding any consideration, monetary or otherwise, which has been paid, given or offered to any director or principal officer of each credit union in connection with the proposed transaction. Include any formal agreement or understanding relating to payment or compensation such as increase in salary, a bonus, consulting agreement or retirement allowance, or any service, release or pledges made, or other item of value in connection with the merger or consolidation. Explain, if applicable, to what extent and in what manner such information has been disclosed to directors and members.
3. Describe the actions that will be taken to inform customers of the effect of the proposed transaction, should it be approved and consummated, on their banking relationship, and, if applicable, in their excess deposit insurance coverage. Comment on the proposed time schedule for any such action.
4. Provide information on all required regulatory approvals necessary to complete the proposed transaction including information on the status of each application and a copy of any approvals received.

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APPENDICES

1. VOTES
2. CERTIFIED COPY OF A VOTE THAT THE MERGER OR CONSOLIDATION HAS BEEN APPROVED AT A SPECIAL MEETING OF THE MEMBERS OF EACH CREDIT UNION CALLED FOR THAT PURPOSE, BY A VOTE OF AT LEAST TWO-THIRDS OF THOSE MEMBERS PRESENT, QUALIFIED TO VOTE AND VOTING.
3. CERTIFIED COPY OF THE VOTE OF BOTH CREDIT UNIONS’ BOARDS OF DIRECTORS.
4. IF APPLICABLE, CERTIFIED COPY OF THE VOTE AMENDING THE BY-LAWS AS REQUIRED UNDER SECTION 10 OF CHAPTER 171 OF THREE-FOURTHS OF THE MEMBERS OF THE CONTINUING CREDIT UNION. A SEPARATE APPLICATION IS REQUIRED FOR APPROVAL TO AMEND THE BY-LAWS.

EACH OF THE AUTHORIZING VOTES MAY BE CERTIFIED WITH A SIGNATURE AND DATED BY ANY CREDIT UNION OFFICIAL. AT LEAST ONE COPY MUST BEAR AN ORIGINAL DATE AND SIGNATURE OF A CREDIT UNION OFFICIAL. THE VOTES MUST BE TIMELY, OCCURRING WITHIN THE PREVIOUS TWELVE MONTHS OF THE DATE OF APPLICATION. THE VOTES MUST ALSO INDICATE THAT A QUORUM OF MEMBERS WAS PRESENT AND VOTING AND THAT THE VOTE HAS NOT BEEN RESCINDED OR REVOKED. IF THE GOVERNING BOARD HAS DELEGATED THE AUTHORITY TO ANOTHER ENTITY WITHIN THE CREDIT UNION, THEN A COPY OF THE GOVERNING BOARD’S VOTE OR OTHER AUTHORITY OF SUCH DELEGATION MUST ALSO BE SUBMITTED.

B. IF APPLICABLE, PROVIDE A COPY OF THE APPLICATION, EXCLUDING ANY CONFIDENTIAL SECTION, SUBMITTED TO THE NATIONAL CREDIT UNION ADMINISTRATION.

1. IDENTIFY THE DAILY NEWSPAPER OR NEWSPAPERS WITH THE LARGEST PAID CIRCULATION PUBLISHING IN THE CITY OR TOWN OR, IF NO SUCH CITYWIDE OR TOWNWIDE DAILY PUBLICATION EXISTS, IN THE GENERAL AREA OF THE APPLCANT CREDIT UNION’S MAIN OFFICE AND THE OTHER CREDIT UNION’S MAIN OFFICE, IF DIFFERENT.
2. PROVIDE THE MOST RECENT INCOME STATEMENT AND BALANCE SHEET OF EACH CREDIT UNION.

NOTE: THE APPLICANT’S PERFORMANCE UNDER THE COMMUNITY REINVESTMENT ACT (“CRA”) IS REVIEWED AS PART OF THE APPLICATION PROCESS FROM REPORTS OF EXAMINATION AND ANNUAL REPORTS CURRENTLY IN THE POSSESSION OF THE DIVISION. THE WRITTEN EVALUATION OF THE APPLICANT’S CRA PERFORMANCE IS AVAILABLE TO THE PUBLIC.

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