

Federal Reserve Bank of Boston
BANK NOTES

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Note: The Sept. issue of *Bank Notes* is available online at: www.bostonfed.org/economic/banknote/index.htm.

Mergers and Acquisitions

Haverhill Bank/Economy Co-operative Bank

Sept. 8, Haverhill, Mass.-based Haverhill Bank (\$253.9 million) will merge with Merrimac, Mass.-based Economy Co-operative Bank (\$24.1 million). After the merger, the resulting bank will have \$235 million in deposits, \$30 million in capital and 70 employees. Both banks are depositor-owned, state-chartered cooperatives and will operate under the Haverhill Bank name, charter and bylaws once the merger is final. Attorney William Barron, a member of Economy Co-operative Bank's board, will join the Haverhill board after the merger. Economy Co-operative Bank's Merrimac office will join Haverhill Bank's six locations as an additional branch. Officials said the deal would provide improved economies of scale and more efficient operations. The banks expect to complete the merger by the end of 2011, subject to regulatory approval. (SNL B&T Weekly 9/12/11)

Brookline Bancorp/Bancorp Rhode Island

Sept. 26, Brookline Village, Mass.-based Brookline Bancorp Inc. extended a deadline for shareholders of Providence, R.I.-based Bancorp Rhode Island Inc. to choose their form of consideration in the companies' pending merger. The extension is intended to allow shareholders more time to make a selection and to reduce the time between the deadline and the completion of the merger. Bancorp Rhode Island shareholders now have until Oct. 7 to choose whether to receive 4.686 shares of Brookline common stock or \$48.25 in cash for each share of Bancorp Rhode Island. (SNL B&T Weekly 10/3/11)

Sept. 8, Providence, R.I.-based Bancorp Rhode Island Inc. shareholders approved the merger with Brookline Village, Mass.-based Brookline Bancorp Inc., with more than 99% of common stockholders' votes cast in favor of the deal. The combined organization will have 43 banking offices serving individuals and businesses across Massachusetts and Rhode Island, and it will have approximately \$4.7 billion in assets, including \$3.7 billion in loans. Bank Rhode Island will retain its brand and operate as a separate

subsidiary of Brookline Bancorp. The transaction is expected to close in the fourth quarter, subject to regulatory approval. "This transaction delivers significant value to our shareholders while allowing us to retain our local identity and strong relationships with the customers and communities we serve," Bancorp Rhode Island President and CEO Merrill Sherman said in a statement. (SNL B&T Weekly 9/12/11)

Adams Co-operative Bank/South Adams Savings Bank

Sept. 16, Adams, Mass.-based Adams Co-operative Bank (\$196.1 million) and South Adams Savings Bank (\$198.7 million) will combine their operations to form a new bank, the name of which was not disclosed. The two banks agreed to merge in a merger-of-equals transaction. The parties expect the merger, in which no jobs will be eliminated, to be completed in the first quarter of 2012. The combined entity will have seven branches in Berkshire County, Mass., and will be ranked third with a 10.59% share of approximately \$2.93 billion in total market deposits. Adams Co-operative Bank President and CEO Joseph Truskowski Jr. will become president of the new bank, and South Adams Savings Bank President and CEO Charles O'Brien will become CEO. The banks' boards will combine to create a new board of trustees. (SNL B&T Weekly 9/19/11)

State Street/Pulse Trading

Sept. 21, State Street Corp. said that it entered into an agreement to acquire Boston-based Pulse Trading Inc. Pulse Trading is a brokerage firm with a range of electronic trading capabilities that include block crossing and blotter scraping technology. Terms of the transaction, expected to close in the fourth quarter, were not disclosed. The deal includes the acquisition of Pulse Trading's institutional equities business and about 40 employees in Boston, New York, St. Louis and San Francisco. (SNL B&T Weekly 9/26/11)

Federal Reserve Announcement

For motor vehicle dealers, data collection requirements under Dodd-Frank deferred

Sept. 20, The Federal Reserve Board issued a final rule amending Regulation B to provide that motor vehicle dealers are not required to comply with new data collection requirements in the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) until the Board issues final regulations to implement the statutory requirements.

The Dodd-Frank Act amended the Equal Credit Opportunity Act to require creditors to collect information about credit applications made by women- or minority-owned businesses and by small businesses. The Consumer Financial Protection Bureau (CFPB) must implement this

provision for all creditors except certain motor vehicle dealers who are subject to the Board's jurisdiction. The CFPB previously announced that creditors are not obligated to comply with the data collection requirements until the CFPB issues detailed rules to implement the law. The Board is amending Regulation B to apply the same approach to motor vehicle dealers.

The final rule will take effect upon publication in the *Federal Register*, which is expected shortly.