



**State of Rhode Island**  
**Department of Business Regulation**



**DIVISION OF BANKING**  
 233 Richmond Street, Suite 231  
 Providence, Rhode Island 02903-4231  
 Telephone (401) 222-2405 - Facsimile (401) 222-5628 - TDD (401) 222-2999

**APPLICATION TO ACQUIRE CONTROL<sup>1</sup> OF A FINANCIAL INSTITUTION  
 UNDER RHODE ISLAND GENERAL LAWS TITLE 19, CHAPTER 8**

**Acquiring Person or Entity:**

Name and Address of Acquiring Person(s) or Entity:

Name \_\_\_\_\_

Street Address \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

Date of Filing \_\_\_\_\_

Desired Effective Date of The Transaction \_\_\_\_\_

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<sup>1</sup> "Control" shall have the meaning set forth in the Bank Holding Company Act of 1956, 12 U.S.C. § 1841 et seq.  
 (3)(A) a company or shareholder shall be deemed to have control over another company if:  
 (i) such company or shareholder, directly or indirectly, or acting through one or more other persons owns, controls, or has power to vote 25 per centum or more of any class of voting securities of the other company;  
 (ii) such company or shareholder controls in any manner the election of a majority of the directors or trustees of the other company; or  
 (iii) the Board determines, after notice and opportunity for hearing, that such company or shareholder, directly or indirectly, exercises a controlling influence over the management or policies of the other company; and  
 (B) notwithstanding any other provision of this section, no company shall be deemed to own or control another company by virtue of its ownership or control of shares in a fiduciary capacity, except as provided in paragraph (1)(C) of this subsection or if the company owning or controlling such shares is a business trust.

**APPLICATION IS HEREBY MADE TO ACQUIRE CONTROL OF THE FOLLOWING DEPOSITORY INSTITUTION PURSUANT TO TITLE 19 CHAPTER 8 OF THE RHODE ISLAND GENERAL LAWS:**

Institution \_\_\_\_\_  
Street Address \_\_\_\_\_  
City or Town, State \_\_\_\_\_

**Applicant Shall File the Application with All Attachments with the Division of Banking, Which Application Shall Include at a Minimum, the Following:**

1. The names of each person or entity by whom or on whose behalf the acquisition is to be made together with the following information for each such person or entity.
  - A) Completed and signed authorization for background check (2 page form).
  - B) If corporation, articles of incorporation and bylaws. If partnership or joint venture, partnership or joint venture agreement.
  - C) Material business activities and affiliations during the past five (5) years.
  - D) A description of any material pending legal or administrative proceedings in which said person or entity is a party. If none, so indicate.
  - E) Information on any criminal indictment or conviction of such person or entity by a state or federal court. If none, so indicate.
  - F) The following financial statements prepared in accordance with generally accepted accounting principles consistently applied for each of the five (5) years immediately preceding the date of the application:
    - i Statement of Condition
    - ii Income and Expense
    - iii Source and Application of Funds
  - G) Interim financial statements as in (F) above as of a date not more than ninety (90) days prior to the date of application.
2. Terms and Conditions

A narrative and financial description of the terms and conditions of the proposed acquisition and the manner in which the acquisition is to be accomplished along with a copy of the definitive agreement relative to the change in control.
3. Vote of Shareholders

Certified copy of the vote of the shareholders, of the Rhode Island Financial Institution or Bank Holding Company, of approval of the change in control evidencing an affirmative vote of 2/3 or more of the shares entitled to vote thereon which actually voted at a meeting called for that purpose or in writing.
4. Board Resolution

If the change in control involves control by either a financial institution or a bank holding company, applicant shall file a certified copy of the resolution of the board of directors of the acquiring financial institution or bank holding company approving the proposed transaction.

5. Public Convenience and Advantage

A statement on how the acquisition will promote the public convenience and advantage.

6. Invitations, Tenders, & Advertisements

Copies of all invitations or tenders, or advertisements making a tender offer to stockholders for purchase of their stock to be used in connection with the proposed acquisition

7. Third-Party Vendors

A list of the names and addresses of any person(s) employed, retained, or to be compensated by the acquiring party, or by any person(s) on its behalf, to make solicitations or recommendations to stockholders for the purpose of assisting in the acquisition. Describe the terms of such employment, retainer, or arrangement for compensation.

8. Funding Source

Identification of the source and the amount of funds or other consideration to be used in making the acquisition

9. Documents Filed with Other Regulatory Agencies

A copy of the notice of acquisition of control and any other documents that are filed with the Federal Deposit Insurance Corporation (FDIC) or any federal or state regulatory or licensing authority having jurisdiction over the proposed change in control

10. Other Regulatory Approvals

A copy of the approval or lack of objection to the proposed change in control by the FDIC or other federal or state regulatory or licensing authority, if applicable.

11. Post Transaction Plans

A description of any plans by the acquiring party to liquidate the institution, to sell its assets or merge it with any company or to make any major change in its business or corporate structure or management along with any filings required by statute to effect such liquidation, sale, or merger.

12. Business Plan

A business plan which details the acquiring party's short and long range goals and objectives. The business plan should be accompanied by pro forma financial statements for the four (4) years following the change in control as well as an employee and management plan which addresses the effect the proposed change in control will have on employment levels.

13. Organizational Structure

A flow chart and explanation of the proposed corporate organizational structure including any relationships to affiliates and subsidiaries.

#### 14. Community Investment Act

Please provide the following for the financial institution being acquired, the acquiring bank, and, if applicable, the principal banking subsidiaries of the bank holding company:

- Financial institutions and banks that have received a CRA Performance Evaluation must provide a copy of said financial institution's and bank's most Recent CRA Performance Evaluation Rating.
- Financial institutions and banks which have not received a CRA Performance Evaluation Rating must provide a copy of the applicant's most recent CRA Statement, and the most recent copy of those reports that are required to be filed pursuant to the Community Reinvestment Act of 1977 as subsequently amended or R. I. Gen. Laws §19-9-4 which include at a minimum the following:
  - A) The geographic distribution of the institution's credit extensions, credit applications, and credit denials, during the two (2) calendar years preceding the application, specifying the number and dollar amount of each such loan by type;
  - B) The effect of the matter which is the subject of the application upon the economy of the respective neighborhoods, cities or towns, region, or states, including the number and types of full and part-time jobs;
  - C) The institution's participation, including investments, in local community development and redevelopment projects or programs during the two (2) calendar years preceding the application, specifying the number and dollar amount of each such loan and investment by type; If none, provide statement which explains the institution's lack of such participation.
  - D) The institution's origination of residential mortgage loans, housing rehabilitation loans and small business or small farm loans within its community or the purchase of such loans originated in its community during the two (2) calendar years preceding the application, specifying the number and dollar amount of each such loan by type; If none, provide statement which explains the institution's lack of such participation.
  - E) The institution's participation in governmentally-insured, guaranteed, or subsidized loan programs for housing, small businesses, or small farms during the two (2) calendar years preceding the application, specifying the number and dollar amount of each such loan by type; If none, provide statement which explains the institution's lack of such participation.
  - F) A statement which addresses whether the institution has or intends to engage in any practices intended to discourage application for any types of consumer credit; and
  - G) Explanation, including the dates, disposition, and corrective measures taken with respect to any accusations of prohibited discriminatory or other illegal credit practices

#### 15. Projections and Forecasts

Projections/forecasts of any significant impact the proposed transaction will have on the following:

- A) The state's economy
- B) The state's employment levels
- C) The state's tax base

The projections/forecasts shall include information on the above both before and after the proposed acquisition.

#### 16. Market Share

A comparison of existing market share to market share after the proposed acquisition, which should indicate:

- A) The extent, if any, to which the proposed acquisition would result in a monopoly or would be in furtherance of any combination or plan to monopolize the business of banking; and
- B) The extent, if any, to which the proposed acquisition would substantially lessen competition, tend to create a monopoly, or in any other manner be in restraint of trade where the anticompetitive effects of the proposed acquisition are not outweighed by the probable effect of the acquisition meeting the convenience and needs of the community to be served.

17. New Officers & Directors

The names, residence address, date of birth, educational background, signed authorization for background check, and positions held during the last five (5) years for all new officers and directors of the institution to be acquired and for all directors and senior officers of applicant financial institution seeking to gain control. All new officers or directors of the institution to be acquired must be sworn to the faithful performance of their duties and shall file a copy of said oath with the Division of Banking.

18. Publication of Notice of Application

Notice (sample attached) to be published at least once a week for three successive weeks in The Providence Journal and, if desired, in a newspaper published in or near to the city or town in which the financial institution to be acquired is located. Publication dates will be determined with the Division of Banking (sample enclosed).

19. Other

Any other information relevant for consideration of the application.

20. Certification of Officials

Certification by the president or vice president and secretary or treasurer of applicant that the information contained in the application is true and that any schedules provided correctly represent the true state of the matters contained within the application to the best of their knowledge and belief.

21. Application Filing Fee

Within thirty (30) days of the date of the Decision on the application by the Director of Business Regulation, applicant shall pay an application filing fee pursuant to R. I. Gen. Laws § 19-1-3 and Banking Regulation 98-1-5.

**Supplemental Forms:**

- 1. Authorization for Background Check and Release
- 2. Certificate of Election of Directors - Directors' Oaths of Office

application for change of control 01-30-2004

DEPARTMENT OF BUSINESS REGULATION

DIVISION OF BANKING

NOTICE OF APPLICATION FILED

Notice is hereby given that an application has been filed by (INSERT NAME AND ADDRESS OF PERSON, BANK OR BANK HOLDING COMPANY PROPOSING TO ACQUIRE CONTROL) with the Department of Business Regulation in accordance with Chapters 1 and 8 of Title 19 of the General Laws of Rhode Island, as amended, to acquire control of (NAME OF BANK OR BANK HOLDING COMPANY TO BE ACQUIRED).

All persons wishing to review and/or comment on the application may make requests to the Department of Business Regulation, Division of Banking, Suite 231, 233 Richmond Street, Providence Rhode Island 02903. Application documents will be available for public inspection and comment between the hours of 9:00 a.m. and 3:30 p.m. in the office of the Division of Banking from (\*insert date of start of public comment period) through (\*insert date of end of public comment period). Any comments made relative to the application must be made in writing addressed to Dennis F. Zirolì, Associate Director and Superintendent of Banking, Department of Business Regulation, Division of Banking, 233 Richmond Street, Suite 231, Providence, Rhode Island 02903

The Division of Banking is accessible to the handicapped

If, at the end of the comment period, there are no objectors to the application, a decision may be made to approve or deny the application

This notice will appear in The Providence Journal (and another newspaper, if so desired) on (insert dates when notice will be published).

State of Rhode Island and Providence Plantations  
Department of Business Regulation

Marilyn Shannon McConaghy, Esq.  
Director



**State of Rhode Island**  
**Department of Business Regulation**



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 233 Richmond Street, Suite 231  
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**AUTHORIZATION FOR BACKGROUND CHECK AND RELEASE**

**Company Name** \_\_\_\_\_  
**Address** \_\_\_\_\_  
**City, State, Zip Code** \_\_\_\_\_

I, \_\_\_\_\_,  
 (Type or Print Full Name and Title)

of \_\_\_\_\_,  
 (Type or Print Residence Address, City, State, Zip Code)

having a date of birth of \_\_\_\_\_ and social security number of \_\_\_\_\_ hereby voluntarily direct and authorize the Division of Banking of the Department of Business Regulation to utilize the above information as part of its evaluation of my general character and financial condition. The information may be used for purposes of obtaining a credit report on me and/or may be shared with the Bureau of Criminal Identification of the Department of the Attorney General for the State of Rhode Island to make available to the Department of Business Regulation any criminal record or other disposition that the Bureau of Criminal Identification has on file in reference to me.

I hereby waive and release any and all manner of actions, cause of actions, and demands of every kind, nature and description, arising from any release of criminal records and requests there from, whatsoever against the State of Rhode Island, the Bureau of Criminal Identification, the Attorney General, the Department of Business Regulation, the employees of the Attorney General's Office and the employees and officials of the Department of Business Regulation in both law and equity which I may now have or in the future may have.

*Upon submission of an application for licensure or a change in a licensee's officers, directors, manager or principal owner as defined in R. I. Gen. Laws § 19-14-1(10), each such officer, director, manager or principal owner must provide a signed response to the questions on Page 2 of 2. An affirmative response to any question requires a signed explanation. (Additional copies of this form may be reproduced as needed.)*

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**Company Name** \_\_\_\_\_  
**Individual's Name** \_\_\_\_\_  
(Type or Print)

Has the director, officer, manager or principal stockholder or any organization in which said person served as a director, officer, manager, or a principal stockholder ever:

1. Made application for a financial license in this state or any other state that was denied, refused or withdrawn, or had a financial license suspended, revoked or canceled?

YES \_\_\_\_\_ NO \_\_\_\_\_

2. Been enjoined or restrained by order of any court from continuing any conduct or practice in connection with the type of activity for which a license is being requested?

YES \_\_\_\_\_ NO \_\_\_\_\_

3. Adversely been the subject of or named in any order issued by any court, official or agency of any state or other authority engaged in regulating the business activity for which a license is being requested?

YES \_\_\_\_\_ NO \_\_\_\_\_

4. Been the subject of any bankruptcy, receivership, or insolvency proceedings?

YES \_\_\_\_\_ NO \_\_\_\_\_

5. For any violation of law other than a motor vehicle violation been (check all that apply):

Arrested YES \_\_\_\_\_ NO \_\_\_\_\_ Prosecuted YES \_\_\_\_\_ NO \_\_\_\_\_

Indicted YES \_\_\_\_\_ NO \_\_\_\_\_ Convicted YES \_\_\_\_\_ NO \_\_\_\_\_

6. Attach copy of a Photo ID (i.e. Valid Drivers License or ID Card.)

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The undersigned certifies that the above responses are true and accurate to the best of my knowledge and belief.

Full Name (Type or Print) \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Notary Public \_\_\_\_\_

Notary Seal

My Commission Expires \_\_\_\_\_, 20\_\_\_\_



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Name of Financial Institution

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Address

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**CERTIFICATE OF ELECTION OF DIRECTORS**

**AND**

**DIRECTORS SUBSCRIPTION TO OATH OF OFFICE**

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\_\_\_\_\_ 20\_\_\_\_

Received and filed

\_\_\_\_\_ 20\_\_\_\_

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## RHODE ISLAND FINANCIAL INSTITUTION CERTIFICATE OF ELECTION OF DIRECTORS

The undersigned \_\_\_\_\_ Secretary of  
the \_\_\_\_\_  
(Name of Financial Institution)  
located in \_\_\_\_\_, Rhode Island, hereby  
certifies that at a meeting of the \_\_\_\_\_  
(Stockholders, Incorporators, whichever is applicable)  
of said Corporation, held on \_\_\_\_\_  
the following named persons were elected Directors thereof for the ensuing year, and that such election has been  
duly recorded in the records of said Corporation

Name	Place of Residence
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	
13.	
14.	
15.	

\_\_\_\_\_ { Secretary-Clerk

**FINANCIAL INSTITUTION  
DIRECTORS OATH OF OFFICE**

STATE OF RHODE ISLAND,  
County of \_\_\_\_\_ )

We, the undersigned Directors of the \_\_\_\_\_

(Name of Financial Institution)

in \_\_\_\_\_, Rhode Island, do each for himself and not for the other, solemnly swear that we will severally, so far as the duty devolves upon us, diligently and honestly administer the affairs of said Corporation, and that we will not knowingly violate, or willfully permit to be violated, any of the applicable provisions of Title 19 of the General Laws of Rhode Island and/or other General Laws of Rhode Island applicable to the operations of financial institutions, or any addition thereto or amendment thereof.

Name	Place of Residence
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	

Subscribed and sworn to this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_  
before the undersigned, a notary public in and for said State.

\_\_\_\_\_  
Notary Signature