



**State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
1511 Pontiac Avenue, Bldg. 68-2
Cranston, Rhode Island 02920**

Division of Banking

DECISION AND ORDER

IN RE:

**APPLICATION OF NAVIGANT CREDIT UNION
TO ESTABLISH BRANCH OFFICES AT 800 POST ROAD, WARWICK RHODE
ISLAND 02888 AND 200 PHENIX AVENUE, CRANSTON, RHODE ISLAND 02920**

I. JURISDICTIONAL STATEMENT AND TRAVEL OF THE CASE

This matter came before the Department of Business Regulation ("Department"), Division of Banking ("Division") upon the application of Navigant Credit Union, a regulated institution with a principal office at 1005 Douglas Pike, Smithfield, Rhode Island 02917 (the "Applicant"), for approval to establish full service branch offices to be located at 800 Post Road, Warwick, Rhode Island 02888 and 200 Phenix Avenue, Cranston, Rhode Island 02920 (the "Application"), pursuant to R. I. Gen. Laws §§ 19-1-3 and 19-2-11 and for the issuance of a certificates of public convenience and advantage in connection therewith.

The Application was filed on October 16, 2019. The Division published a notice of the filing of the Application on its website on October 23, 2019. The Application was available for public inspection and comment in the office of the Division from October 23, 2019 to November 5, 2019. The Division did not receive any written comments or objections regarding the Application during the comment period.

Evidence was submitted to the Division in support of the Application, which included responses to questions contained in the Application and various documents attached as exhibits to the Application.

Specifically, information was provided on the Applicant and the proposed branches. The Applicant provided a statement, which described the means by which the proposed

branches would promote the public convenience and advantage of the communities to be served as well as information on the benefits of the proposed branches to the communities to be served and the impact on the safety and soundness of the Applicant.

II. APPLICABLE LAW

A. Public Convenience and Advantage Standard

Applicant is a Rhode Island credit union established on March 9, 1915 pursuant to Rhode Island law and is a Regulated Institution as defined in R. I. Gen. Laws § 19-1-1(11) and regulated pursuant to R.I. Gen. Laws §§ 19-1-1 *et seq.*, 19-2-1 *et seq.*, 19-5-1 *et seq.* and 19-9-1 *et seq.* The Director of the Department, or the Director's designee (the "Superintendent"), is expressly authorized by R. I. Gen. Laws §§ 19-2-3 and 19-2-11 to issue a certificate of public convenience and advantage with respect to the establishment of a branch for a Rhode Island Regulated Institution upon consideration of factors consistent with the creation of a Regulated Institution and upon compliance with other applicable provisions of R. I. Gen. Laws Title 19. Although R. I. Gen. Laws Title 19 does not expressly delineate the factors that must be considered by the Superintendent with respect to the standard of public convenience and advantage, the Department has established that the following factors are required to be considered: (a) the benefits to the community or communities to be served, such as the products and services to be provided by the proposed branch, (b) the effects of the proposal on the public interest, such as the effect on employment, the economy, consumer protection, and the tax base of the State, and (c) consideration of Community Reinvestment Act ("CRA") criteria in R.I. Gen. Laws §19-9-4. In addition, the Superintendent considers the safety and soundness of the regulated institution making application and the effect of the proposal on the strength and stability of the financial community as a whole.

Under applicable law as delineated above, therefore, the Superintendent may issue a certificate upon a finding that the benefits flowing from the applicant's proposed activities will run to the public, that the applicant's proposed activities are fitting or suited to the public and will result in a gain or benefit to the public, that the proposed activity will not materially adversely affect the safety and soundness of the Regulated Institution, and that the application is in conformance with applicable law.

B. Community Reinvestment Act Standard

In reviewing applications from Regulated Institutions, the R.I. Gen. Laws § 19-9-4 requires the Department to consider and determine whether an applicant will adhere to Community Reinvestment Act ("CRA") standards. While the federal CRA, 12 U.S.C. § 2901 et seq., will not be applicable to the Applicant (because it is not a regulated financial institution as defined in 12 U.S.C. § 2901 et seq.), the state CRA statute, R. I. Gen. Laws § 19-9-4, will apply since the Applicant's by-laws do not prevent a member of the general public from gaining membership. The CRA principles require institutions to address the credit needs of the communities they serve. R. I. Gen. Laws § 19-9-4 requires the Superintendent to take into account the record of performance of a Regulated Institution in helping to meet the credit needs of its entire community, consistent with the safe and sound operation of the Regulated Institution and an assessment of the economic impact of the matter that is the subject of the application, when determining whether a certificate of public convenience and advantage should be issued. The Department has reviewed the criteria in R.I. Gen. Laws § 19-9-4(b)(1-9) with respect to this Application.

C. Insurance of Deposits

R. I. Gen. Laws § 19-4-10 requires that any regulated institution permitted by law to receive deposits, except a Regulated Institution prevented from accepting deposits by its by-laws or agreement to form, must maintain federal deposit insurance.

III. FINDINGS OF FACT

Based upon the documentary evidence filed with the Division, the Superintendent hereby makes the following findings of fact:

A. On October 16, 2019, the Division duly received the Application from Navigant Credit Union pursuant to R. I. Gen. Laws §§ 19-1-3 and 19-2-11.

B. The Division posted a Notice of Application Filed on October 23, 2019 in accordance with R. I. Gen. Laws § 19-1-3.

C. The public inspection and comment period for the Application extended from October 23, 2019 to November 5, 2019, during which time the Application was available for public inspection and comment in the office of the Division. No letters of comment or

objection were received by the Division in connection with the Application during the comment period, therefore no public hearing was held.

D. Applicant is both a Rhode Island credit union established on March 9, 1915 pursuant to Rhode Island law and is a Regulated Institution as defined in R. I. Gen. Laws § 19-1-1(11) and regulated pursuant to R.I. Gen. Laws §§ 19-1-1 *et seq.*, 19-2-1 *et seq.*, 19-5-1 *et seq.* and 19-9-1 *et seq.*

E. The Applicant's proposed branch offices will serve existing members and potential members within the cities of Warwick and Cranston.

F. The Applicant has provided a copy of its CRA Statement along with evidence of its intent to comply with CRA and non-discrimination laws and regulations and to address the credit needs of the communities it serves.

G. Financial information provided by the Applicant adequately demonstrates the financial strength of the Applicant with respect to safety and soundness issues. The Applicant has the management capability required to operate the proposed branches.

H. The shares and deposits of the credit union are insured by the National Credit Union Share Insurance Fund ("NCUSIF") which is administered by the National Credit Union Administration ("NCUA"). Approval of the proposed branches will not have any impact on the deposit insurance coverage provided by the NCUSIF.

IV. CONCLUSIONS OF LAW

Based upon the documentary evidence filed with the Division, the Superintendent hereby makes the following conclusions of law:

A. R. I. Gen. Laws §§ 19-2-3 and 19-2-11 authorize the Superintendent to issue the certificates of public convenience and advantage in connection with the Application.

B. The Notice of Application Filed satisfies the requirements of R. I. Gen. Laws § 19-1-3 with respect to the publication of notice for the proposed branches.

C. The proposed branches are in the public interest, will promote the convenience and advantage of the communities to be served by the proposed branches and will have a beneficial effect on the economy and on the citizens of the communities to be served by the branches, all consistent with safe and sound banking practices consistent with the requirements of R.I. Gen. Laws § 19-2-3, 19-2-11, and 19-9-4.

D. The evidence presented in the Application complies with the criteria in R.I. Gen. Laws § 19-9-4 regarding credit needs of local communities.

E. The Applicant's deposits at the proposed branches will have NCUSIF insurance as required by R.I. Gen. Laws § 19-4-10.


V. DECISION AND ORDER

Upon review and consideration of the documentary evidence in the record presented in this matter, it is hereby ORDERED:

That the Application of Navigant Credit Union to establish full service branch offices to be located at 800 Post Road, Warwick, Rhode Island 02888 and 200 Phenix Avenue, Cranston, Rhode Island 02920 and for the issuance of a certificate of public convenience and advantage in connection therewith is hereby approved in accordance with, and with the general effect provided for in R. I. Gen. Laws § 19-2-11, subject to the condition that the Applicant opens the proposed branches within one (1) year of the date of this Decision and Order; if it has not opened the branches within one (1) year, it must promptly return the certificates of public convenience and advantage to the Division for cancellation unless good cause is demonstrated for an extension.

ENTERED AS ADMINISTRATIVE ORDER NUMBER 19BK013 OF THE
SUPERINTENDENT OF THE DEPARTMENT OF BUSINESS REGULATION AS OF
THIS

21st DAY OF NOVEMBER 2019.


Elizabeth Kelleher Dwyer, Superintendent of Banking
Rhode Island Department of Business Regulation