



Comptroller of the Currency
Administrator of National Banks

Northeastern District Office
340 Madison Avenue, 5th Floor
New York, New York 10173-0002

Licensing Division
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July 20, 2009

Conditional Approval #915
August 2009

Anthony G. Nuzzo
President & Chief Executive Officer
First Commons Bank, National Association
718 Beacon Street
Newton, Massachusetts 02459

Carol Hempfling Pratt
Foley Hoag LLP
155 Seaport Boulevard
Boston, Massachusetts 02210

Re: Final Approval -- First Commons Bank, National Association
Newton, Massachusetts

Control Number: 2008 NE 01 0013

Charter Number: 24904

Dear Mr. Nuzzo and Ms. Pratt:

The Office of the Comptroller of the Currency (“OCC”) has found that you have met all requirements it imposed and completed all steps necessary to commence the business of banking. Specifically, you have met all the pre-opening requirements connected with your preliminary conditional approval on January 14, 2009.

You are authorized to open First Commons Bank, National Association (“Bank”) on July 22, 2009. We will forward you a Charter Certificate under separate cover.

You are reminded that the Bank remains subject to condition #1 as imposed by the preliminary conditional approval dated January 14, 2009, which is re-iterated below. Additionally, this final approval subjects the Bank to conditions #2 and #3 enumerated below given the Bank’s intention to engage in Internet banking activities.

1. During its first three (3) years of operation, the Bank: (a) shall give the OCC Boston Field Office (the “supervisory office”) at least sixty (60) days prior written notice of the Bank’s

intent to significantly deviate or change from its business plan or operations¹ and (b) shall obtain the OCC's written determination of no objection before the Bank engages in any significant deviation or change from its business plan or operations. The OCC may impose additional conditions it deems appropriate in a written determination of no objection to a Bank's notice. For the first three years of operation, the Bank also must provide a copy of such written notice to the FDIC's Boston Regional Office.

2. Prior to engaging in Internet banking activities, the Bank must have performed an independent security review and test of its Internet banking platform. The Bank must have this review performed regardless of whether the platform is operated in-house or by one or more third-party service providers. If the Bank outsources the technology platform, it can rely on testing performed for the service provider to the extent that it satisfies the scope and requirements listed herein. The review must be conducted by an objective, qualified independent source ("Reviewer"). The scope should cover:

- All access points, including the Internet, Intranet, or remote access.
- The adequacy of physical and logical protection against unauthorized access including individual penetration attempts, computer viruses, denial of service, and other forms of electronic access.

By written report, the Reviewer must confirm that the security measures, including the firewall, have been satisfactorily implemented and tested. For additional guidance, refer to the *FFIEC IT Examination E-Banking Handbook*, pages 26-30, Information Security Program. The booklet is located at the FFIEC's Web site:

http://www.ffiec.gov/ffiecinfobase/booklets/e_banking/e_banking.pdf.

3. The Bank must notify all potential technology-related vendors in writing of the OCC's examination and regulatory authority under 12 USC 1867(c).² All final technology-related vendor contracts must stipulate that the performance of services provided by the vendors to the Bank is subject to the OCC's examination and regulatory authority.

These conditions of approval are conditions imposed in writing by a Federal banking agency in connection with any action on any application, notice or other request within the meaning of 12 U.S.C. 1818. As such, the conditions are enforceable under 12 U.S.C. 1818.

¹ If such deviation is the subject of an application filed with the OCC, no separate notice to the supervisory office is required.

² The OCC has the authority to assess the Bank for the cost of examining a service provider. See 12 CFR 8.6

Also, several of the requirements enclosed as part of the preliminary conditional approval letter will continue to apply once the Bank opens and, by opening, you agree to subject your association to these requirements of operation. Some of the requirements bear reminding here:

1. Regardless of the association's FDIC insurance status, the association is subject to the Change in Bank Control Act (12 USC 1817(j)) by virtue of its national bank charter.
2. The board of directors is responsible for regular review and update of policies and procedures and for assuring ongoing compliance with them. This includes maintaining an internal control system that ensures compliance with the currency reporting and recordkeeping requirements of the Bank Secrecy Act (BSA). The board must train its personnel in BSA procedures and designate one person or a group to monitor day-to-day compliance.

The OCC poses no objection to Michael James Tallo serving as the Chief Financial Officer/BSA Officer/Compliance Officer of the Bank. Please note, for a two-year period after the Bank commences business, the Bank must file an Interagency Biographical and Financial Report with the OCC and receive a letter of no objection from the OCC prior to any new executive officer or director assuming such position.

The Board of Directors and you should become familiar with the filing obligations of the Securities Exchange Act of 1934 ("34 Act") and 12 CFR Part 11. The Bank may be required to file reports with the OCC under the 34 Act and Part 11 if: (1) the Bank at the end of any fiscal year has 500 or more shareholders of record; or (2) the Bank made a public offering of securities subject to 12 CFR Part 16 during the Bank's organizational process.

We encourage you to contact the OCC's Securities & Corporate Practices Division at (202) 874-5210 if you have any questions about the Bank's securities disclosure obligations.

This final approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our final approval is based on the Bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this final approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

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On behalf of the OCC, welcome to the national banking system. If you have any questions about the supervision of your Bank, please contact Assistant Deputy Comptroller Scott Schainost of the Boston Field Office at (617) 482-1643. For questions about this letter or other licensing matters, please contact Licensing Analyst Wai-Fan Chang at (212) 790-4055.

Sincerely,

signed

J. Greg Parvin
Director for District Licensing