



Federal Deposit Insurance Corporation

550 17th Street NW, Washington, D.C. 20429-9990

Division of Risk Management Supervision

March 25, 2013

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Board of Directors
The Savings Bank
357 Main Street
Wakefield, Massachusetts 01880

Dear Members of the Board:

The notice of intent to effect a mutual holding company reorganization with the organization of interim institutions and a merger to facilitate a conversion from a mutual-to-stock form filed on behalf of The Savings Bank (Bank) was reviewed by the Federal Deposit Insurance Corporation (FDIC) pursuant to the FDIC's regulations at 12 C.F.R. Sections 303.160 – 303.163 and other pertinent FDIC regulations. Based on the information presented and the representations made, the FDIC poses no objection to the proposed transactions.

Enclosed is our Order and Basis (Order) approving the notice and applications filed on behalf of the Bank in conjunction with the mutual-to-stock conversion, including considerations of the proposed merger and the request for a waiver of depositor voting requirements. Our approval is subject to the conditions stated in the Order, some of which must be met on an ongoing basis.

Please notify the New York Regional Office in writing when the proposed transaction has been consummated. If an extension of the time limit included in the Order is required, a letter requesting a specific extension of the limitation, and the reasons for the extension, should be submitted to Regional Director John F. Vogel at 350 Fifth Avenue, Suite 1200, New York, New York 10118.

Sincerely,

/s/

James C. Watkins
Deputy Director

Enclosure: Order

cc: Kent M. Krudys, Esq.
Luse Gorman Pomerenk & Schick, P.C.
5335 Wisconsin Avenue, N.W., Suite 400
Washington, D.C. 20015-2035

Alexis Leahy
Chief Director of Bank Supervision
Massachusetts Division of Banks
1000 Washington Street
Boston, Massachusetts 02118-6400

FEDERAL DEPOSIT INSURANCE CORPORATION

The Savings Bank
Wakefield, Massachusetts

Applications for Consent to Merge and Federal Deposit Insurance

ORDER AND BASIS FOR CORPORATION APPROVAL

Pursuant to Section 5 and Section 18(c) of the Federal Deposit Insurance (FDI) Act, The Savings Bank, Wakefield, Massachusetts (Mutual Bank), currently a state-chartered, mutually-owned Deposit Insurance Fund (DIF) member with total resources of \$457,183,000 and total deposits of \$395,369,000 as of December 31, 2012, has filed an application for consent to merge with The Savings Interim Stock Bank, Wakefield, Massachusetts, a proposed Massachusetts-chartered, interim stock savings bank. Further, applications have been filed for Federal deposit insurance for The Savings Interim Stock Bank and The De Novo Savings Bank (a *de novo* mutual savings bank to be subsequently organized into a mutual holding company). In addition, applications have been filed with the Federal Reserve Bank of Boston for the establishment of Wakefield Bancorp, Inc., (a *de novo* mid-tier Maryland stock holding company) and Wakefield Bancorp, MHC (a *de novo* Massachusetts-chartered mutual holding company).

The purpose of the application is to obtain the FDIC's approval necessary to effect the Bank's plan of reorganization that, solely to facilitate such undertaking, provides for:

- The Mutual Bank will organize a new *de novo* mutual savings bank under Massachusetts law to be known as The De Novo Savings Bank.
- The De Novo Savings Bank will reorganize into a mutual holding company to be known as Wakefield Bancorp, MHC.
- Wakefield Bancorp, MHC will establish a Maryland stock corporation to be known as Wakefield Bancorp, Inc.
- Wakefield Bancorp, MHC will establish a wholly-owned subsidiary known as The Savings Interim Stock Bank.
- The Mutual Bank will immediately merge with and into The Savings Interim Stock Bank under the name The Savings Bank, but with the charter of The Savings Interim Stock Bank surviving.
- Wakefield Bancorp, MHC will contribute 100 percent of the shares of the resultant bank, The Savings Bank, to Wakefield Bancorp, Inc.

Upon consummation of the reorganization, the deposits of the The Savings Bank, will be insured under the DIF. On the effective date of the reorganization, The Savings Bank will be a stock bank that is wholly-owned by Wakefield Bancorp, Inc., Baltimore, Maryland, which will be

wholly owned by Wakefield Bancorp, MHC, Wakefield, Massachusetts, which will retain all the mutual interests of the former Mutual Bank.

On March 4, 2013, the Federal Reserve Bank of Boston approved applications to allow the establishment of Wakefield Bancorp, Inc., to become a mid-tier stock holding company and of Wakefield Bancorp, MHC to become a mutual bank holding company. Further, the Massachusetts Department of Banking and Securities granted The Savings Bank the conditional authority to conduct banking business as a stock bank on March 12, 2013.

Following consummation of the merger, The Savings Bank will operate the same banking business, with the same management, at the same locations now being served by the Mutual Bank. The proposed transaction will not alter the competitive structure of banking in the market served by the Mutual Bank. The Savings Bank's main office will continue to be located at 357 Main Street, Wakefield, Massachusetts.

Notice of the proposed transaction, in a form approved by the FDIC, has been published pursuant to the FDI Act. A review of available information, including the Community Reinvestment Act (CRA) Statement of the proponent, disclosed no inconsistencies with the purposes of the CRA. The Savings Bank is expected to meet the credit needs of its community, consistent with the safe and sound operation of the institution.

In connection with the merger application, the FDIC has taken into consideration the financial and managerial resources and future prospects of the proponent banks and The Savings Bank, the convenience and needs of the community to be served, and the effect of the proposed transaction on competition. The FDIC has also taken into consideration the effectiveness of the insured depository institutions involved in the proposed merger transaction in combating money-laundering activities, and the risk posed by the transaction to the stability of the U.S. banking or financial system.

In connection with the applications for deposit insurance, the FDIC has taken into consideration the financial history and condition, adequacy of the capital structure, earnings prospects, general character and fitness of management, risk to the insurance fund, convenience and needs of the community, and consistency of corporate powers.

Having found favorably on all statutory factors, it is the FDIC's judgment that the applications for Consent to Merge and Federal Deposit Insurance are hereby approved, subject to the following conditions, some of which are continuing in nature:

1. That, except for the proposed transfer of stock to Wakefield Bancorp, MHC and the contribution of that stock by Wakefield Bancorp, MHC to Wakefield Bancorp, Inc., no shares of the stock of The Savings Bank shall be sold, transferred or otherwise disposed of, to any person (including any Employee Stock Ownership Plan) unless prior notice is provided to, and non-objection is received from, the FDIC;
2. That, prior to a sale, transfer or other disposition of any shares of Wakefield Bancorp, Inc., by Wakefield Bancorp, MHC, to any person (including any Employee Stock Ownership Plan) or a conversion of Wakefield Bancorp, MHC to stock form, The Savings Bank will provide written notification to the FDIC and provide the FDIC with

copies of all documents filed with the state and Federal banking and/or securities regulators in connection with any sale, transfer, disposition or conversion;

3. That, should any shares of stock of The Savings Bank or Wakefield Bancorp, Inc., be issued to persons other than Wakefield Bancorp, Inc., and Wakefield Bancorp, MHC, any dividends waived by Wakefield Bancorp, MHC must be retained by Wakefield Bancorp, Inc., or The Savings Bank and segregated, earmarked or otherwise identified on its books and records. Such amounts must be taken into account in any valuation of the institution and factored into the calculation used in establishing a fair and reasonable basis for exchanging shares in any subsequent conversion of Wakefield Bancorp, MHC to stock form. Such amounts shall not be available for payment to or the value thereof transferred to minority shareholders, by any means, including through dividend payments or at liquidation;
4. That, any change in proposed senior executive officers, including the board of directors, prior to the consummation of the proposed transaction, will render this approval null and void unless such proposal is approved by the FDIC prior to the consummation of the proposed transaction;
5. That, for a period of three (3) years after the close of the proposed transaction, any material deviation from the business plan, will require prior approval of the FDIC New York Regional Director prior to implementation of such material deviation from the business plan;
6. That, all necessary and final approvals from the appropriate federal and/or state authorities have been received;
7. That, the proposed transaction may not be consummated later than six months after the date of this Order unless such period is extended for good cause by the FDIC; and
8. That, until the proposed transaction is consummated, the FDIC shall have the right to alter, suspend or withdraw its approval should any interim development be deemed to warrant such action.

Pursuant to the delegated authority of the FDIC Board of Directors.

Dated at Washington, D.C. this 25th day of March, 2013.

/s/

James C. Watkins
Deputy Director
Division of Risk Management Supervision