

Sec. 36a-136-1. Definitions

As used in sections 36a-136-1 to 36a-136-48, inclusive, of the Regulations of Connecticut State Agencies, unless the context otherwise requires:

(1) “Acting in concert” means (A) knowing participation in a joint activity or interdependent conscious parallel action towards a common goal whether or not pursuant to an express agreement, or (B) a combination or pooling of voting or other interests in the securities of an issuer for a common purpose pursuant to any contract, understanding, relationship, agreement or other arrangement, whether written or otherwise. A person that acts in concert with another person shall also be deemed to be acting in concert with any person that is also acting in concert with that other person, except that any tax-qualified employee stock benefit plan shall not be deemed to be acting in concert with its trustee or a person that serves in a similar capacity solely for the purpose of determining whether stock held by the trustee and stock held by the plan will be aggregated. For purposes of the share purchase limitations of sections 36a-136-24 to 36a-136-32, inclusive, of the Regulations of Connecticut State Agencies, the following presumptions shall apply: (A) Persons shall be presumed to be acting in concert with each other where both own stock in a bank or out-of-state bank and both are also management officials, controlling shareholders, partners or trustees of another company, or one person provides credit to another person or is instrumental in obtaining financing for another person to purchase stock of the converting institution, (B) a company controlling or controlled by another company and companies under common control shall be presumed to be acting in concert, (C) persons shall be presumed to be acting in concert where they constitute a group under the beneficial ownership reporting rules under Section 13 of the Securities Exchange Act of 1934, 15 USC 78m, or the proxy rules under Section 14 of the Securities Exchange Act of 1934, 15 USC 78n, promulgated by the Securities and Exchange Commission, (D) a person shall be presumed to be acting in concert with any trust for which such person serves as trustee, except that a tax-qualified employee tax benefit plan shall not be presumed to be acting in concert with its trustee or a person acting in a similar fiduciary capacity and (E) persons shall be presumed to be acting in concert with each other and with any other person with which they also are presumed to act in concert;

(2) An “affiliate” of a specified person means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the specified person;

(3) “Associate”, when used to indicate a relationship with any person, means (A) a corporation or organization, other than the converting institution or a majority-owned subsidiary of the converting institution, if the person is an officer or partner or beneficially owns, directly or indirectly, ten per cent or more of any class of equity securities of the corporation or organization; (B) a trust or other estate if the person has a substantial beneficial interest in the trust or estate or is a trustee or fiduciary of the trust or estate, except that for purposes of sections 36a-136-27, 36a-136-29 to 36a-136-32, inclusive, and 36a-136-39 of the Regulations of Connecticut State Agencies, it does not include a converting institution’s tax-qualified employee stock benefit plan or nontax-qualified employee stock benefit plan in which a person has a substantial beneficial interest or serves as a trustee or a fiduciary, and for the purposes of section 36a-136-27 of the Regulations of Connecticut

State Agencies, does not include the converting institution's tax-qualified employee stock benefit plan; and (C) any person who is related by blood or marriage to such person and who lives in the same home as such person, or who is a director or senior officer of the converting institution or its holding company or subsidiary;

(4) "Capital stock bank" means a "Connecticut bank" or a "federal bank", as defined in section 36a-2 of the Connecticut General Statutes, that is authorized to accumulate funds through the issuance of its capital stock;

(5) "Commissioner" means "commissioner" as defined in section 36a-2 of the Connecticut General Statutes;

(6) "Control", "controlling", "controlled by" and "under common control with" means the direct or indirect power to direct or exercise a controlling influence over the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise as described in 12 CFR 574;

(7) "Converted institution" means a mutual institution that has converted to a capital stock bank pursuant to section 36a-136 of the Connecticut General Statutes and sections 36a-136-1 to 36a-136-48, inclusive, of the Regulations of Connecticut State Agencies;

(8) "Converting institution" means a mutual institution that is in the process of converting to a capital stock bank pursuant to section 36a-136 of the Connecticut General Statutes and sections 36a-136-1 to 36a-136-48, inclusive, of the Regulations of Connecticut State Agencies;

(9) "Department" means the Department of Banking;

(10) "Deposit" means "deposit" as defined in section 36a-2 of the Connecticut General Statutes;

(11) "Deposit account" means "deposit account" as defined in section 36a-2 of the Connecticut General Statutes;

(12) "Depositor" means any person who is legally entitled to withdraw funds from a deposit account with the converting institution;

(13) "Director" means "director" as defined in section 36a-2 of the Connecticut General Statutes;

(14) "Eligibility record date" means the date for determining eligible account holders, which date is at least one year before the date the converting institution's governing board adopts the plan of conversion;

(15) "Eligible account holder" means any person holding a qualifying deposit on the eligibility record date;

(16) "Governing board" means "governing board" as defined in section 36a-2 of the Connecticut General Statutes;

(17) "Liquidation account" means an account that represents the potential interest of eligible account holders and supplemental eligible account holders in the converting institution's net worth at the time of conversion and that is established by the converting institution, pursuant to subsection (i) of section 36a-136 of the Connecticut General Statutes and section 36a-136-37 of the Regulations of Connecticut State Agencies, for the benefit of eligible account holders and supplemental eligible account holders if there is a subsequent complete liquidation of the converted institution;

(18) "Local community" includes (A) any county, city or town in which the converting

institution has a main office or branch, (B) each county's, city's or town's metropolitan statistical area, (C) all zip code areas in the converting institution's Community Reinvestment Act assessment area, and (D) any other area or category set out in the plan of conversion, as approved by the commissioner;

(19) "Mutual institution" means a mutual savings bank, federal mutual savings bank, mutual savings and loan association or federal mutual savings and loan association;

(20) "Mutual savings and loan association" means an institution chartered or organized under the laws of this state as a savings and loan association without capital stock;

(21) "Offer" or "offer to sell" means an attempt or offer to dispose of or a solicitation of an offer to purchase a security or interest in a security for value. "Offer" or "offer to sell" does not include preliminary negotiations or an agreement with an underwriter or among underwriters who are or will be in privity of contract with the converting institution;

(22) "Officer" means the chairman of the board, chief executive officer, president, vice president, secretary, treasurer, chief financial officer, chief operating officer, any other person performing similar functions with respect to any organization, whether incorporated or unincorporated, and any person who has been designated as an officer by the governing board;

(23) "Person" means "person" as defined in section 36a-2 of the Connecticut General Statutes;

(24) "Proxy solicitation material" includes a proxy statement, form of proxy or other written or oral communication regarding the conversion;

(25) "Purchase" includes any contract to acquire a security or interest in a security for value;

(26) "Qualifying deposit" means the total balance in an account holder's qualifying deposit accounts at the close of business on the eligibility record date or supplemental eligibility record date, provided the plan of conversion may provide that only qualifying deposit accounts with total deposit balances of fifty dollars or more will qualify;

(27) "Qualifying deposit account" means a deposit account but does not include a tax and loan account, note account, United States Treasury General Account, United States Treasury Time Deposit Open Account or an escrow account established pursuant to section 49-2a of the Connecticut General Statutes;

(28) "Sale" or "sell" includes any contract to dispose of a security or interest in a security for value;

(29) "Security" means "security" as defined in section 36b-3 of the Connecticut General Statutes;

(30) "Solicitation" and "solicit" means a request for a proxy, whether or not accompanied by or included in a form of proxy; a request to execute, not execute or revoke a proxy; or the furnishing of a form of proxy or other communication reasonably calculated to cause the converting institution's depositors to procure, withhold or revoke a proxy. "Solicitation" or "solicit" does not include providing a form of proxy at the unsolicited request of a depositor, the acts required to mail communications for depositors or ministerial acts performed on behalf of a person soliciting a proxy;

(31) "Subscription offering" means the offering of shares through nontransferable subscription rights to: (A) Eligible account holders under section 36a-136-24 of the

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Regulations of Connecticut State Agencies; (B) tax-qualified employee stock ownership plans under section 36a-136-29 of the Regulations of Connecticut State Agencies; (C) supplemental eligible account holders under section 36a-136-24 of the Regulations of Connecticut State Agencies; and (D) in the case of a mutual savings and loan association, other voting depositors under section 36a-136-26 of the Regulations of Connecticut State Agencies;

(32) “Subsidiary” means “subsidiary” as defined in section 36a-2 of the Connecticut General Statutes;

(33) “Supplemental eligibility record date” means the date for determining supplemental eligible account holders, which date is the last day of the calendar quarter before the commissioner approves the conversion and will only occur if the commissioner has not approved the conversion within fifteen months after the eligibility record date;

(34) “Supplemental eligible account holder” means any person, except the converting institution’s officers, directors and their associates, holding qualifying deposits on the supplemental eligibility record date;

(35) “Tax-qualified employee stock benefit plan” is any defined benefit plan or defined contribution plan, such as an employee stock ownership plan, stock bonus plan, profit-sharing plan or other plan, and a related trust that is qualified under Section 401 of the Internal Revenue Code, 26 USC 401; and

(36) “Underwriter” is any person who purchases any securities from the converting institution with a view to distributing the securities, offers or sells securities for the converting institution in connection with the securities’ distribution or participates or has a direct or indirect participation in the direct or indirect underwriting of any such undertaking. Underwriter does not include a person whose interest is limited to a usual and customary distributor’s or seller’s commission from an underwriter or dealer.

(Adopted effective September 7, 2007)