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COUNSELLORS AT LAW

THE GASLIGHT BUILDING
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April 20, 2022

Monica Mezzapelle, Treasurer
State of New Hampshire Treasury
25 Capitol Street, Room 121
Concord, NH 03301

Re: Legal Opinion: Enterprise Bank and Trust Company's Ability to Accept
Public funds under RSA 6:8-a(d)

Dear Treasurer Mezzapelle;

This firm represents Enterprise Bank and Trust Company (the "Bank"), a federally insured financial institution duly organized and existing under the laws of the Commonwealth of Massachusetts, headquartered in Lowell, Massachusetts. The Bank maintains branch banking offices in Massachusetts and New Hampshire, with its New Hampshire branch offices located in Derry, Hudson, Londonderry, Nashua, Pelham, Salem, and Windham.

We have been asked by the Bank to provide to you our opinion regarding whether, under the laws of the Commonwealth of Massachusetts, a banking institution chartered under the laws of the State of New Hampshire (a "NH Bank") would be permitted to accept the deposit of public funds in Massachusetts in substantially the same manner and subject to substantially the same terms and conditions as is permitted to a bank chartered under the laws of the Commonwealth of Massachusetts (a "MA Bank").¹ In providing this legal opinion letter, we have reviewed Massachusetts and New Hampshire statutes, regulations, regulatory guidance, and conferred with the Deputy Treasurer of the

¹ Pursuant to changes authorized in House Bill 545, in pertinent part, to RSA 6:7 and 6:8, federally insured banks chartered under the laws of states other than New Hampshire can accept deposits of New Hampshire public funds from the NH state treasurer and NH municipalities if, among other things, the out-of-state bank furnishes the Treasurer with an opinion of legal counsel that its chartering state would permit a New Hampshire chartered bank to accept deposits of public funds in substantially the same manner, and subject to the substantially same terms and conditions as would be required for banks chartered in that state. See RSA 6:8, I-a(d).

Massachusetts Office of the Treasurer and Receiver General as necessary or appropriate. For the reasons set forth below, we are of the opinion that Massachusetts law does permit a NH Bank to accept the deposit of public funds in Massachusetts in substantially the same manner and on substantially the same terms as a MA Bank.

General Authority to Deposit Massachusetts Public Funds. As discussed in more detail below, Massachusetts law does not prohibit or limit the deposit of public funds in out-of-state banks, including New Hampshire chartered banks. Rather, the deposit and investment of such public funds is generally left to the discretion of the applicable public officer or governing body who apply statutory standards applicable to all banks regardless of origin.

Massachusetts State Funds. Under M.G.L. c. 29, §34, “[s]tate officers, departments, institutions and other agencies may, with the written consent of the state treasurer, deposit a portion of the public monies in their possession” in qualified banks that meet the approval of the state treasurer. The state treasurer is required to publish a list of approved qualified banks every six months. The statute provides that the “state treasurer shall not include on the list a state-chartered bank having a descriptive rating as described in clauses (d) or (e) of the sixth paragraph under section 14 of chapter 167 or any federally insured depository institution having an assigned rating of (C) or (D) under section 807(b) (2) of the Community Reinvestment Act of 1977, 12 U.S.C. 2901 et seq.” These requirements to meet Community Reinvestment Act goals are applied to all banks regardless of where the bank is chartered. The state treasurer’s office is on record as acknowledging that “there is no bright-line rule in statute that prohibits non-Massachusetts banks from receiving MA public funds” and, in fact, the most recent list of state treasurer approved banks includes two New Hampshire chartered banks, Bank of New England and Salem Co-operative Bank, which have branches in Massachusetts. The most recent list of state treasurer approved banks is attached to this legal opinion. The state treasurer’s office works with the Massachusetts Division of Banks to screen any bank which applies to be added to the approved list.

Massachusetts Municipal Funds. Officers of “a city, town, or district or regional school district” have the authority to invest and deposit public funds as set forth in M.G.L. c. 44, §§ 55 and 55B. These statutes provide broad latitude to municipal treasurers to invest or deposit in any “bank or trust company or

Monica Mezzapelle, Treasurer
April 20, 2022
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banking company” regardless of where the bank is chartered but with restrictions such as (a) requiring satisfactory security if the amount deposited exceeds 60% of the capital and surplus of such bank institution, (b) avoiding bank institutions with which the treasurer of the municipality is associated as an employee or an officer, (c) requiring that they be insured by the Federal Deposit Insurance Corporation, and (d) investing prudently to make as much interest as possible. Notably, there are no specific prohibitions to deposits or investments in out-of-state chartered banking institutions.

Based on the foregoing Massachusetts statutes and other authorities, we are of the opinion that NH Banks are permitted under Massachusetts law to accept deposits of public funds from the Commonwealth of Massachusetts and other governmental units within Massachusetts in substantially the same manner, and on substantially the same terms, as is permitted for MA Banks. Accordingly, it is our opinion that the conditions of RSA 6:8, 1-a(a), as provided in HB 545, have been satisfied by the Bank.

We understand that, in accordance with RSA 6:8, 1-a(d), you will confirm receipt of this legal opinion letter within 60 days and will make a copy of it publicly available by posting on the New Hampshire State Treasury website. Please contact me (andreab@gcattorneys.com) or James G. Silva (james@gcattorneys.com) if you have any questions about this legal opinion or if you require additional information.

Thank you very much for your attention on this matter.

Sincerely yours,

GALLAGHER & CAVANAUGH, LLP



Andrea S. Batchelder

cc: Steven R. Larochelle, Executive Vice President, Chief Banking Officer

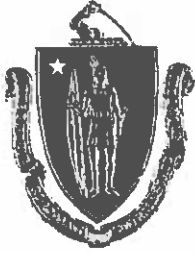


1. $\frac{1}{x^2} = x^{-2}$
 $\frac{d}{dx} x^{-2} = -2x^{-3} = -\frac{2}{x^3}$

2. $\frac{d}{dx} \ln(x) = \frac{1}{x}$
 $\frac{d}{dx} \ln(x^2) = \frac{1}{x^2} \cdot 2x = \frac{2}{x}$

3. $\frac{d}{dx} e^{2x} = 2e^{2x}$
 $\frac{d}{dx} e^{-x} = -e^{-x}$

4. $\frac{d}{dx} \sin(x) = \cos(x)$
 $\frac{d}{dx} \cos(x) = -\sin(x)$



The Commonwealth of Massachusetts
OFFICE OF THE STATE TREASURER

STATE HOUSE, ROOM 227
BOSTON, MASSACHUSETTS 02133

DEBORAH B. GOLDBERG
TREASURER AND RECEIVER GENERAL
TEL: (617) 367-6900
FAX: (617) 248-0372

November 16, 2021

The Honorable Charles D. Baker, Governor
Commonwealth of Massachusetts
Executive Office
State House
Boston, Massachusetts 02133

Dear Governor Baker:

Relative to Chapter 29, Section 34 of the General Laws, attached is my designation of the enclosed list of banks and state depositories.

This list of depository banks is comprised of all national banks and state banks or trust companies lawfully doing business in the Commonwealth. The exclusions are those banks which do not meet the "well capitalized" or "adequately capitalized" provisions of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA), or any institution with a rating less than satisfactory under the Community Reinvestment Act of 1977, which information is provided by the Massachusetts Office of the Commissioner of Banks, as well as other reporting federal regulatory authorities.

As you know, banks on this list represent varying degrees of credit quality. Each department and agency having decision making authority with respect to banking deposits and relationships should be made aware of the current credit status of their respective bank depository and the implied soundness of that institution.

The Treasury recommends that State agencies and departments consider subscribing to a nationally recognized credit rating service. For any questions please contact James A. MacDonald, First Deputy Treasurer, at (617) 367-9333, extension 570 or jmacdonald@tre.state.ma.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Deborah B. Goldberg".

Deborah B. Goldberg
Treasurer and Receiver General

Enclosure

BANK DEPOSIT LIST

As of June 30, 2021

Abington Bank
Adams Community Bank
Athol Savings Bank
Avidia Bank
Bank of America, N.A.

**For Additional Credit Analysis
and Financial Information Contact:
James A. MacDonald
First Deputy Treasurer
(617) 367-9333, extension 570**

Bank of Canton, The
Bank of Easton
Bank of England
Bank of New England
Bank of New York Mellon, The

Bank of New York Mellon Trust Company, National Association, The
BankFive
BankGloucester
Bay State Savings Bank
BayCoast Bank

Beal Bank USA
Berkshire Bank
Bluestone Bank
BNY Mellon, NA
Boston Private Bank & Trust Company

Boston Trust Walden Company
Bristol County Savings Bank
Brookline Bank
Cambridge Savings Bank
Cambridge Trust Company

Canton Co-operative Bank
Cape Ann Savings Bank
Cape Cod Five Cents Savings Bank, The
Cathay Bank
Century Bank and Trust Company

Charles River Bank
CIBC National Trust Company
Citibank NA
Citizens Bank, N.A.
Clinton Savings Bank

BANK DEPOSIT LIST

As of June 30, 2021

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Coastal Heritage Bank
Colonial Federal Savings Bank
Commonwealth Co-operative Bank
Community Bank NA
Cooperative Bank, The

Co-operative Bank of Cape Cod, The
Cornerstone Bank
Country Bank for Savings
Dean Bank
Dedham Institution for Savings

Eagle Bank
East Boston Savings Bank
East Cambridge Savings Bank
East West Bank
Eastern Bank

Easthampton Savings Bank
Enterprise Bank and Trust Company
Envision Bank
Ethic, A Wealth Bank
Everett Co-operative Bank

Fidelity Bank
Fidelity Personal Trust Company, FSB
First American Trust, FSB
First Republic Bank
Florence Bank

Foxboro Federal Savings
Goldman Sachs Bank USA
Greenfield Co-operative Bank
Greenfield Savings Bank
HarborOne Bank

Haverhill Bank
Hingham Institution for Savings
Hometown Bank
Institution for Savings in Newburyport
JPMorgan Chase Bank, N.A.

BANK DEPOSIT LIST

As of June 30, 2021

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KeyBank National Association
Leader Bank, N.A.
Lee Bank
Lowell Five Cent Savings Bank, The
Main Street Bank

Manufacturers and Traders Trust Company, aka M&T Bank
Marblehead Bank
Martha's Vineyard Bank****
Mechanics' Co-operative Bank
Methuen Co-operative Bank

Middlesex Federal Savings, F.A.
Middlesex Savings Bank
Milford Federal Bank
Millbury National Bank
Monson Savings Bank

MountainOne Bank
MutualOne Bank
National Grand Bank of Marblehead, The
NBT Bank NA
Needham Bank

New Valley Bank & Trust
Newburyport Five Cents Savings Bank
North Brookfield Savings Bank
North Cambridge Co-operative Bank
North Easton Savings Bank

North Shore Bank, a Co-operative Bank
NorthEast Community Bank
Northern Bank & Trust Company
Northern Trust Company, The
Northmark Bank**

Norwood Bank
OneUnited Bank
Patriot Community Bank
Pentucket Bank
People's United Bank, N.A.

BANK DEPOSIT LIST

As of June 30, 2021

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PeoplesBank
Pittsfield Co-operative Bank, The
PNC Bank, National Association
Provident Bank, The
Reading Co-operative Bank

Rockland Trust Company
Rollstone Bank and Trust
Salem Co-operative Bank
Salem Five Cents Savings Bank
Salisbury Bank and Trust Company

Santander Bank NA
Savers Co-operative Bank
Savings Bank, The
Seamen's Bank
Silicon Valley Bank

South Shore Bank
State Street Bank and Trust Company
StonehamBank, A Co-operative Bank
Stoughton Co-operative Bank
TD Bank, NA

Trustco Bank
UniBank for Savings
U.S. Bank National Association
Village Bank, The
Wakefield Co-operative Bank

Walpole Co-operative Bank
Washington Savings Bank
Watertown Savings Bank
Webster Bank, N.A.
Webster Five Cents Savings Bank

Wells Fargo Bank, NA
Westfield Bank
Wilmington Trust, N.A.
Winchester Co-operative Bank
Winchester Savings Bank

BANK DEPOSIT LIST

As of June 30, 2021

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Winter Hill Bank, FSB
Wrentham Co-operative Bank

- *New addition to list (none this list).
- **Returned to list, rating upgraded.
- ***Dropped co-operative/savings from bank name (none this list).
- ****Name changed.