



Comptroller of the Currency
Administrator of National Banks

Bank Organization and Structure
250 E Street, SW, Mail Stop 3-8
Washington, DC 20219

Corporate Decision #97-30
June 1997

May 19, 1997

Robert L. Klivans
Assistant General Counsel
BankBoston, N.A.
100 Federal Street
Boston, Massachusetts 02106

Re: Applications of BayBank NH, NA to: 1) Relocate to Burlington, Massachusetts; 2) Establish a Branch at the former Main Office in Derry, New Hampshire; and 3) Merge with and into BayBank, NA, Boston, Massachusetts
Application Control Numbers: 96-NE-07-0012, 96-NE-05-0038 and 96-NE-02-0011

Dear Mr. Klivans:

This is to inform you that on May 19, 1997, the Office of the Comptroller of the Currency ("OCC") approved the proposals of BayBank NH, National Association, Derry, New Hampshire, ("BayBank NH") to relocate to Burlington, Massachusetts, establish a branch at the former main office location in Derry, New Hampshire, and then merge with and into BayBank, National Association, Boston, Massachusetts ("BayBank NA"). This approval is granted based on a thorough review of all information available, including representations and commitments made in the applications and the merger agreement and by the banks' representatives.

The relocation of BayBank NH's main office from Derry, New Hampshire to Burlington, Massachusetts, is authorized under 12 U.S.C. § 30. BayBank NH may continue to operate its existing offices in New Hampshire under section 30. BayBank NH may also establish a new branch at the former location of its main office in New Hampshire under 12 U.S.C. § 36(c). The merger of BayBank NH and BayBank NA conforms with the standards of the Bank Merger Act, 12 U.S.C. § 1828(c), and the Community Reinvestment Act, 12 U.S.C. §§ 2903(2), 2902(3)(E); the merger is authorized under 12 U.S.C. § 215a. BayBank NA, as the resulting institution, may also continue to operate all of the existing branches in Massachusetts, New Hampshire, and Connecticut under 12 U.S.C. § 36(b). *See the OCC's decisions on the Applications of Connecticut River Bank, N.A., Charlestown, New Hampshire (OCC Corporate Decision No. 96-58 September 30, 1996) and the Applications of First and*

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Ocean National Bank, Newburyport, Massachusetts (OCC Corporate Decision No. 97-10, February 10, 1997).

Please be advised that the OCC also authorizes the resulting bank, should the merger occur between Call Report dates, to recalculate its legal lending limit. The new lending limit should be calculated by using data from the last Call Report of the individual banks filed prior to consummating the merger, as adjusted for the merger. The resulting bank will then file a new Call Report and begin calculating its legal lending limit according to 12 C.F.R. 32.4(a) at the end of the quarter following consummation of the merger.

The Multinational Banking Division must be advised in writing in advance of the desired effective date of these transactions so that the OCC may issue the necessary certification and authorization letters. The effective date of the merger must be on or after the approval date.

We will not issue a letter certifying consummation of the merger until we have received:

1. A Secretary's Certificate for each applicant institution, certifying that a majority of the board of directors has agreed to the proposed merger,
2. An executed merger agreement with Articles of Association for the resulting bank attached, and
3. A Secretary's Certificate for each institution, certifying that the shareholders' approvals have been obtained.

If the merger is not consummated within one year from the approval date, the approval shall automatically terminate unless the OCC grants an extension of the time period.

Please be informed that we reaffirm our August 6, 1996, approval of the proposed merger of BayBank NA with and into BankBoston, N.A., Boston, Massachusetts, (Application Control Number: 96-ML-02-0015). That application was amended to reflect the bank's request for retention of the branches in New Hampshire that BankBoston, N.A. will obtain in the course of its acquisition of BayBank NA following BayBank NA's merger with BayBank NH.

All correspondence regarding this application should reference the application control numbers. If you have any questions concerning this letter, please contact National Bank Examiner Richard T. Erb at (202) 874-4610 or me at (202) 874-5060.

Sincerely,

/s/

Robert B. Norris
Bank Organization and Structure