



**Corporate Decision #2014-03  
July 2014**

June 17, 2014

Robert E. Trautmann, Esq.  
Executive Vice President, General Counsel  
People's United Bank  
850 Main Street  
Bridgeport, Connecticut 06604-4913

Re: Application filed by Peoples United Bank, Bridgeport, Connecticut to Include  
Subordinated Debt as Tier Two Capital (Application)  
OCC Control No. R1-2014-0024 Charter No.718027

Dear Mr. Trautmann:

The Office of the Comptroller of the Currency (OCC) hereby approves the above referenced application, submitted pursuant to 12 C.F.R. § 163.81 by People's United Bank, Bridgeport, Connecticut (Bank), a Federal savings association, a wholly-owned subsidiary of People's United Financial, Inc., to include an issuance of subordinated debt (Notes) in its regulatory capital. Under section 163.81(b)(1), a Federal savings bank must obtain prior approval of the OCC before including subordinated debt in its supplementary (Tier 2) capital. Approval is granted after a thorough evaluation of the Application, the accompanying offering circular and other materials supplied by the Bank's representatives, including representations and commitments made in the Application by the Bank's representatives, and the conclusion by the OCC that the Application satisfies the applicable approval standards.

In connection with offering of the Notes, the Bank has requested waivers of certain regulations related to the offering of securities by Federal savings associations, 12 C.F.R. Part 197. Instead, Bank requests permission to offer securities subject to the Securities Offering requirements that are applicable to issuances by national banks under regulation 12 C.F.R. §16.6. The Comptroller of the Currency granted the requested waivers in a letter, dated June 17, 2014 (See attachment), subject to the noted limitations.

**The Transaction**

The Bank proposes to issue up to \$400 million in nonconvertible, unsecured subordinated debt. The maturity date and the interest rate have yet to be determined, but will be established at the closing of the offering. The Notes are expected to receive an "investment grade" rating and will

be offered through underwriters in minimum denominations of \$250,000. The offering will be only to institutional investors that qualify as "accredited investors" pursuant to Rule 501 of the Securities and Exchange Commission's Regulation D, 17 C.F.R. § 230.501. The Bank intends to use an Issuing and Paying Agency Agreement (Agreement) (rather than a trust indenture, in reliance on 12 C.F.R. § 163.81(c)(4)(ii)) that will set out certain rights of the security holders and provide for various administrative matters relating to the Notes. The Notes will be registered with the OCC under the applicable securities offering regulations. You have supplied the OCC staff with draft copies of the proposed offering circular and the Agreement to assist the staff in the review of the Bank's Application. OCC approval is subject to the requirements at 12 C.F.R. § 163.81(g).

### **Consummation Requirements**

Unless a timeframe is otherwise stated below, please submit the following information to the attention of the Senior Licensing Analyst in Washington, D.C. prior to consummation of the transaction:

- On the business day prior to the date of the consummation of the offering, the chief financial officer of the Bank must certify in writing to the Deputy Comptroller for Licensing, (Deputy Comptroller) or his designee, that no material adverse events or material adverse changes have occurred with respect to the financial condition or operation of the Bank, as disclosed in the Application. If additional information having a material adverse bearing on any feature of the Application is brought to the attention of the Bank or the OCC since the date of the materials submitted with the Application, the Bank must not consummate the offering, unless the information is presented to the Deputy Comptroller, and all appropriate disclosures are made in the offering circular;
- The Bank must receive prior written approval from the OCC for any post-approval amendment to the securities or the Agreement if: (i) the proposed amendment modifies in any material manner or is inconsistent with any provision of the securities, or the Agreement that is required to be included therein by the OCC's regulations as may then be in effect or would result in a transfer of risk to the Bank or the Deposit Insurance Fund, as appropriate; and (ii) all or a portion of the proceeds from the issuance and sale of the securities would continue to be included in the regulatory capital of the Bank following adoption of the amendment;
- The Bank must submit to the OCC promptly after execution, one copy of each amendment to the securities or the Agreement made after approval, and if prior approval to such amendment was not obtained, must also state the reason(s) such prior approval was not required;
- The Bank must not offer or sell the securities at any of its offices; and

- The Bank must, within five calendar days after the effective date of the proposed transaction, advise the Senior Licensing Analyst in writing: (a) of the effective date of the proposed transaction; and (b) that the transaction was consummated in accordance with all applicable laws and regulations, the application and this approval.

Any time period specified herein may be extended by the Deputy Comptroller, for good cause, for up to 120 calendar days.

A separate letter is enclosed requesting your feedback on how we handled your filing. We would appreciate your response so we may improve our service.

The approval and the activities and communications by OCC employees in connection with the Application, 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 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 approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this approval pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

If you have any questions, please contact Senior Licensing Analyst Patricia D. Goings at (202) 649-6358 or at [Patricia.Goings@occ.treas.gov](mailto:Patricia.Goings@occ.treas.gov). Please include the OCC control number on any correspondence.

Sincerely,

*Steven A. Lybarger*

Stephen A. Lybarger  
Deputy Comptroller for Licensing