

- SIC Criteria for short-term vendor selection: **BANKNEWPORT APPLYING FOR COMMUNITY DEPOSIT PROGRAM**

1. Exist and operate for at least 3 years.  
BankNewport is a mutual savings bank founded in 1819
2. Proof of investment grade short-term rating from a nationally recognized statistical ratings organization (NRSRO), e.g. Moody's and S&P; or, if unrated, a minimum grade of Satisfactory from a bank rating service, e.g. Veribanc.  
**Green\*\*\* (Veribanc – Excellent)**

3. Return on assets within the most recent six-quarter-period must be positive for at least four out of the six consecutive quarters.  
**See below**

	12/31/2018	9/30/2018	6/30/2018	3/31/2018	12/31/2017	9/30/2017
ROA	1.05%	1.01%	0.95%	1.02%	0.78%	0.88%

4. The Federal Reserve risk-based minimum capital ratio must be at least 8%.  
**Tier 1 Capital Ratio 4Q18 12.50%**
5. Non performing assets as a percentage of total assets may not exceed 3%.  
**NPA ratio at 0.69% as of December 2018.**
6. Proof of insurance coverage through either the FDIC or National Credit Union Administration (NCUA).  
**We have received a copy of the FDIC certificate dated March 25, 2019.**
7. Copy of the most recent audited financials.  
**We have received audited financials for Ocean Point Financial Partners, MHC for the period ended December 31, 2018. Newport is a wholly owned subsidiary of Ocean Point financial Partners, MHC**
8. Proof of NASD registration if applicable.  
**The bank is not a broker dealer and is not regulated by the NASD.**
9. Letter certifying that you have read our investment policies.  
**The letter was received and signed by Gregory Derderian EVP/CFO and Director of Strategic Analysis.**
10. Letter from an officer detailing the securities to be sold to the State.  
**Bank Newport is applying only for consideration in the Community Deposit Program and has provided a letter stating that they will invest all state funds with CDARS where they will qualify for FDIC insurance coverage. These funds will be placed as fixed term deposits with a maximum maturity of 397 days or less.**
11. Copy of the bank's most recent Community Reinvestment Act rating.  
**BankNewport has provided a copy of their most recent Community Reinvestment Act Performance Evaluation dated April 25, 2016.**

- SIC Criteria for short-term vendor selection: **FREEDOM NATIONAL BANK APPLYING FOR COMMUNITY DEPOSIT PROGRAM**

1. Exist and operate for at least 3 years.  
In existence since November 29, 2001.
2. Proof of investment grade short-term rating from a nationally recognized statistical ratings organization (NRSRO), e.g. Moody's and S&P; or, if unrated, a minimum grade of Satisfactory from a bank rating service, e.g. Veribanc.  
Bank Rate – 3 Star Rating
3. Return on assets within the most recent six-quarter-period must be positive for at least four out of the six consecutive quarters.

	12/31/2018	9/30/2018	6/30/2018	3/31/2018	12/31/2017	9/30/2017
ROA	0.34	0.31	0.26	0.21	0.08	0.18

4. The Federal Reserve risk-based minimum capital ratio must be at least 8%.  
Tier 1 Capital Ratio 4Q18 13.13%
5. Non performing assets as a percentage of total assets may not exceed 3%.  
NPA ratio currently at 0.81% as of February 28, 2019.
6. Proof of insurance coverage through either the FDIC or National Credit Union Administration (NCUA).  
We have received a copy of the FDIC certificate and verified that they are insured as of April 16, 2019.
7. Copy of the most recent audited financials.  
We have received a copy of the audited financial statements of Freedom National Banks parent company Berkshire Financial Services prepared by Wolf and Company P.C. as of June 30, 2018 and 2017.
8. Proof of NASD registration if applicable.  
The bank is not a broker dealer and we are not regulated by the NASD.
9. Letter certifying that you have read our investment policies.  
The letter was received and signed by Anthony Botelho, President and CEO.
10. Letter from an officer detailing the securities to be sold to the State.  
Freedom National bank is applying only for consideration in the Community Deposit Program and has not detailed any investment types.
11. Copy of the bank's most recent Community Reinvestment Act rating.  
The Bank's CRA rating is considered Satisfactory as evidenced in its latest OCC CRA exam dated April 21, 2015 which was provided by the bank..