

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C.

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| In the Matter of               | ) |                       |
|                                | ) |                       |
| INDEPENDENCE BANK              | ) | ORDER FOR RESTITUTION |
| EAST GREENWICH, RHODE ISLAND   | ) |                       |
|                                | ) | FDIC-23-0046b         |
| (INSURED STATE NONMEMBER BANK) | ) |                       |
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Independence Bank (Respondent), having received a NOTICE OF CHARGES AND OF HEARING and PRAYER FOR RELIEF detailing the violations of law alleged to have been committed by the Respondent, for which an Order for Restitution may be issued under 12 U.S.C. § 1818(b), and having been advised of the right to a hearing on the charges under 12 U.S.C. § 1818(b) and 12 C.F.R. Part 308, subparts A & B, and having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF AN ORDER FOR RESTITUTION (CONSENT AGREEMENT), with a representative of the Federal Deposit Insurance Corporation's (FDIC) Legal Division, dated January 14, 2025, whereby the Respondent consented to the issuance of an ORDER FOR RESTITUTION (ORDER) by the FDIC.

The FDIC determined and Respondent neither admits nor denies the following:

1. Respondent violated Small Business Administration (SBA) regulations and Section 5 of the FTC Act, 15 U.S.C. § 45, by charging fees in connection with its SBA lending program that were prohibited by applicable SBA regulations. Respondent omitted material information when it engaged in SBA lending without disclosing that it was charging fees that were prohibited by applicable SBA regulations;

2. By virtue of the violations of law and regulation described in Paragraph (1), Respondent was unjustly enriched.

The FDIC, therefore, accepts the CONSENT AGREEMENT and issues the following:

ORDER FOR RESTITUTION

IT IS HEREBY ORDERED, that the Respondent shall pay restitution of \$3,500,000 on or before January 14, 2025 to affected consumers in the time and manner set forth in the CONSENT AGREEMENT. In addition, the Respondent shall provide the Senior Deputy Director of the FDIC's Division of Depositor and Consumer Protection with the written confirmation from the Respondent of its payment of the above-referenced restitution payment.

IT IS FURTHER ORDERED, that the Respondent is prohibited from seeking or accepting indemnification from any source for the restitution paid under the terms of this ORDER.

This ORDER shall be effective upon its issuance by the FDIC.

The provisions of this ORDER shall remain effective and enforceable except to the extent that, and until such time as, any provisions of this ORDER shall have been modified, terminated, suspended, or set aside by the FDIC.

Pursuant to delegated authority.

Dated this 14<sup>th</sup> day of January, 2025.

/s/ \_\_\_\_\_  
G. Chris Finnegan  
Senior Deputy Director  
Division of Depositor and Consumer Protection

RESTITUTION ORDER EXECUTION

/s/  
Thomas M. Bain, Chairman of the Board

/s/  
Walter H. Braillard II, Director

/s/  
Robert F. Faris, Director

/s/  
Stephen K. J. Mackowitz, Director

/s/  
Charles E. Gross, Jr. Director

/s/  
Heather L. Marshall, President