

FEDERAL DEPOSIT INSURANCE CORPORATION
WASHINGTON, D.C.

and

COMMONWEALTH OF MASSACHUSETTS
DIVISION OF BANKS
BOSTON, MASSACHUSETTS

)	
)	
)	
)	
In the Matter of)	CONSENT ORDER
)	
MUTUALONE BANK)	FDIC-26-0001b
Framingham, Massachusetts)	
)	
(Insured State Nonmember Bank))	
(Massachusetts State-Chartered Co-operative)	
Bank))	
)	
)	
)	
)	

The Federal Deposit Insurance Corporation (FDIC) is the appropriate Federal banking agency for MutualOne Bank, Framingham, Massachusetts, (Bank) under 12 U.S.C. § 1813(q). The Commonwealth of Massachusetts Division of Banks (Division) is the appropriate State banking agency for the Bank under the Massachusetts General Laws Chapters 167, 170, and other applicable statutes.

The Bank, by and through its duly elected and acting Board of Directors (Board), has executed a Stipulation and Consent to the Issuance of a Consent Order (Consent Agreement), dated January 13, 2026, that is accepted by the FDIC and the Division. With the Consent Agreement, the Bank has consented to the issuance of this Consent Order (Order) by the FDIC

and the Division, without admitting or denying any charges of violations of law or regulation, breaches of fiduciary duty, or nonconformance with interagency guidelines incorporated into Appendix A to Part 364 of the FDIC Rules and Regulations.

Having determined that the requirements for issuance of an order under 12 U.S.C. § 1818(b) and Massachusetts General Laws Chapter 167, 170, and other applicable statutes have been satisfied, the FDIC and the Division order that:

I. BOARD REQUIREMENTS

A. The Board must ensure its supervision and direction of Bank management and its oversight of the Bank's activities and performance are commensurate with the size of the Bank and the nature, scope, and risk of the Bank's activities. The Board must, at a minimum, ensure its receipt and review of any updated, revised, or reformulated plans required by the Order; its adoption of such plans; and the monitoring of the Bank's implementation and adherence to such plans.

B. Within 90 days from the effective date of this Order, the Board must complete its independent assessment of Bank management and the Board by a qualified third party to determine whether the Board, the Board's Security Committee, the Board's Compensation Committee, and the management of the Bank's lending and credit functions consist of qualified individuals with expertise commensurate with the Bank's size and risk profile; and to assess whether the Board's Security Committee and the Board's Compensation Committee operate in accordance with a current and prudent charter. Such assessment must include, at a minimum: (a) a review of the duties, responsibilities, qualifications, and remuneration of (i) each of the Bank's directors and (ii) each of its senior executive officers with responsibility for the Bank's

lending and credit functions; and (b) recommendations regarding the Board, the Board's Security Committee, the Board's Compensation Committee, and the management of the Bank's lending and credit functions in light of the findings of the June 9, 2025 Report of Examination issued jointly by the FDIC and the Division (2025 ROE). Such recommendations must include, for any identified weaknesses, recommendations to remediate them, such as recommendations for training to improve the strength of existing directors and officers or to increase the size of the Board or to change the composition of Board committees. A copy of the assessment must be submitted to the FDIC Deputy Regional Director and the Commonwealth of Massachusetts Commissioner of Banks (Commissioner of Banks) within 120 days from the effective date of this Order. The Board must adopt a plan to implement the recommendations of the assessment within 120 days from the effective date of this Order. The plan and its implementation must be satisfactory to the FDIC Deputy Regional Director and the Commissioner of Banks as determined at subsequent examinations and/or visitations.

C. Within 60 days from the effective date of this Order, the Board must develop and approve appropriate compensation policies and practices commensurate with the Bank's size, earnings, and benefit offerings, that reasonably will prevent (a) contravention of Appendix A to Part 364 of the FDIC Rules and Regulations as pertaining to excessive compensation and the prohibition against compensation that could lead to material financial loss; and (b) undue influence by any director or senior executive officer with respect to (i) their own compensation and (ii) the Board's Compensation Committee.

II. REDUCTION OF CLASSIFIED ASSETS

A. Within 60 days from the effective date of this Order, the Board must develop and

approve a written plan to reduce the Bank’s risk exposure in each asset adversely classified “Substandard” or “Doubtful” as of March 31, 2025, including all outstanding loan commitments, to a level of acceptable asset quality. For purposes of this provision, “reduce” means to collect, charge off, or improve the quality of an asset so as to warrant its removal from adverse classification by the FDIC Deputy Regional Director and the Commissioner of Banks. In developing the plan mandated by this section, the Board must ensure that qualified Bank staff will, at a minimum, and with respect to each such adversely classified loan or lease, review, analyze, and document the financial position of the borrower, including source of repayment, repayment ability, and alternative repayment sources, as well as the value and accessibility of any pledged or assigned collateral, and any possible actions to improve the Bank’s collateral position.

B. As of the effective date of this Order, the Bank must not extend, directly or indirectly, any additional credit to, or for the benefit of, any borrower whose loan or other credit has been classified “Substandard” or “Doubtful” as of March 31, 2025, and is uncollected unless the Board has adopted, prior to such extension of credit, a detailed written statement giving the reasons why such extension of credit is in the best interest of the Bank. A copy of the statement must be signed by each director and incorporated in the minutes of the applicable Board meeting and placed in the appropriate loan files.

III. LOAN UNDERWRITING AND REVIEW

A. Within 60 days from the effective date of this Order, the Board must ensure that the Bank’s loan policy is reviewed and improved to satisfactorily address the loan underwriting and credit administration deficiencies and weaknesses identified in the 2025 ROE.

B. Within 60 days from the effective date of this Order, the Bank must improve loan risk rating and review procedures to ensure timely identification of problem assets. The procedures must require that loan risk rating and review will be performed by a qualified individual. The loan review process must, at a minimum:

1. Ensure timely collection of borrower financial information;
2. Ensure timely collection of updated collateral valuation information when the repayment ability of the borrower becomes uncertain;
3. Ensure accurate and independent application of risk ratings;
4. Identify loans or relationships that warrant special attention of management;
5. Identify violations of laws or regulations and credit and collateral documentation exceptions and track corrective measures; and
6. Identify loans not in conformance with the Bank's loan policy.

IV. VIOLATIONS OF LAW

Within 60 days from the effective date of this Order, the Bank must eliminate and/or correct all remediable violations of law and regulation set forth in the 2025 ROE.

V. PROGRESS REPORTS

Within 45 days of the end of each calendar quarter following the effective date of this Order, the Board must furnish to the FDIC Deputy Regional Director and the Commissioner of Banks written progress reports detailing the form, manner, and results of any actions taken to secure compliance with this Order. Supporting documentation must also be submitted with each written progress report. All progress reports and other written responses to this Order must be reviewed and approved by the Board and be made a part of the Board minutes.

VI. MISCELLANEOUS

A. The provisions of this Order do not bar, estop, or otherwise prevent the FDIC, the Division, or any other federal or state agency or department from taking any other action against the Bank or any of the Bank's current or former institution-affiliated parties.

B. This Order is effective on the date of issuance, and its provisions will remain effective and enforceable until a provision is modified, terminated, suspended, or set aside in writing by the FDIC and the Division.

C. The provisions of this Order are binding upon the Bank, its institution-affiliated parties, and any successors and assigns thereof.

Issued Under Delegated Authority.

Dated: January 13, 2026

/s/

By: Mary A. Barry
Acting Deputy Regional Director
New York Region
Federal Deposit Insurance Corporation

/s/

Hon. Mary L. Gallagher
Commissioner of Banks
Commonwealth of Massachusetts
Division of Banks