APPLICATION

to the

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

by

WEBSTER FINANCIAL CORPORATION

for prior approval
to acquire by merger

STERLING BANCORP

and

STERLING NATIONAL BANK

pursuant to Sections 3(a)(3) and 3(a)(5) of the
Bank Holding Company Act
and
Section 225.15 of Regulation Y

May 28, 2021

Board of Governors of the Federal Reserve System

Application to Become a Bank Holding Company and/or Acquire an Additional Bank or Bank Holding Company—FR Y-3

Webster Financial Corporation
Corporate Title of Applicant

Webster Plaza
145 Bank Street
Street Address

Waterbury	Connecticut	06702
City	State	Zip Code

(Type of organization, such as corporation, partnership, business trust, association, or trust)

Hereby applies to the Board pursuant to:

☐ (1) Section 3(a)(1) of the Bank Holding Company Act of 1956, as amended, (''BHC Act''—12 U.S.C. §1842), under ''Procedures for other bank acquisition proposals'' as described in section 225.15 of Regulation Y;

☒ (2) Section 3(a)(3) of the BHC Act, under ''Procedures for other bank acquisition proposals'' as described in section 225.15 of Regulation Y; or

☒ (3) Section 3(a)(5) of the BHC Act, under ''Procedures for other bank acquisition proposals'' as described in section 225.15 of Regulation Y.

for prior approval of the acquisition of direct or indirect ownership, control, or power to vote at least ______ (____%) of a class of voting shares or otherwise to control:
Number Percent

Sterling Bancorp
Corporate Title of Bank or Bank Holding Company

Two Blue Hill Plaza, Second Floor
Street Address

Pearl River	New York	10965
City	State	Zip Code

Does applicant request confidential treatment for any portion of this submission?

☒ Yes

☒ As required by the General Instructions, a letter justifying the request for confidential treatment is included.

☒ The information for which confidential treatment is being sought is separately bound and labeled "Confidential."

☐ No

Public reporting burden for this collection of information for applications filed pursuant to section 3(a)(1) of the BHC Act are estimated to average 53 hours per response while applications filed pursuant to section 3(a)(3) or section 3(a)(5) of the BHC Act are estimated to average 63.5 hours per response, including the time to gather and maintain data in the required form, to review instructions and to complete the information collection. The Federal Reserve may not conduct or sponsor, and an organization is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, NW, Washington, DC 20551; and to the Office of Management and Budget, Paperwork Reduction Project (7100-0121), Washington, DC 20503.

07/2018

Name, title, address, telephone number, and facsimile number of person(s) to whom inquiries concerning this application may be directed:

Patricia A. Robinson
Name
Of Counsel – Corporate
Title
51 West 52nd Street, 30th Floor
Street Address
New York | New York | 10019
City | State | Zip Code
(212) 403-1127 parobinson@wlrk.com
Area Code / Phone Number
(212) 403-2127
Area Code / FAX Number

Richard K. Kim
Name
Partner – Corporate
Title
51 West 52nd Street, 28th Floor
Street Address
New York | New York | 10019
City | State | Zip Code
(212) 403-1354
Area Code / Phone Number
(212) 403-2354
Area Code / FAX Number

Certification

I certify that the information contained in this application has been examined carefully by me and is true, correct, and complete, and is current as of the date of this submission to the best of my knowledge and belief. I acknowledge that any misrepresentation or omission of a material fact constitutes fraud in the inducement and may subject me to legal sanctions provided by 18 U.S.C. §1001 and §1007.

I also certify, with respect to any information pertaining to an individual and submitted to the Board in (or in connection with) this application, that the applicant has the authority, on behalf of the individual, to provide such information to the Board and to consent or to object to public release of such information. I certify that the applicant and the involved individual consent to public release of any such information, except to the extent set forth in a written request by the applicant or the individual, submitted in accordance with the Instructions to this form and the Board's Rules Regarding Availability of Information (12 C.F.R. Part 261), requesting confidential treatment for the information.

I acknowledge that approval of this application is in the discretion of the Board of Governors of the Federal Reserve System (the "Federal Reserve"). Actions or communications, whether oral, written, or electronic, by the Federal Reserve or its employees in connection with this filing, including approval if granted, do not constitute a contract, either express or implied, or any other obligation binding upon the agency, the United States or any other entity of the United States, or any officer or employee of the United States. Such actions or communications will not affect the ability of the Federal Reserve to exercise its supervisory, regulatory, or examination powers under applicable laws and regulations. I further acknowledge that the foregoing may not be waived or modified by any employee or agency of the Federal Reserve or of the United States.

Signed this 28th day of May, 2021.
Day | Month | Year

Signature of Chief Executive Officer or Designee

Glenn I. MacInnes
Print or Type Name

Executive Vice President,
Chief Financial Officer
Webster Financial Corporation
Title

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Request for Confidential Treatment

Confidential treatment is being requested under the federal Freedom of Information Act, 5 U.S.C. § 552 (the "FOIA"), and the implementing regulations of the Board of Governors of the Federal Reserve System (the "Board"), for the information contained in the Confidential Exhibits Volume to this application (the "Confidential Materials"). The Confidential Materials include, for example, nonpublic pro forma financial information and information regarding the business strategies and plans of (i) Webster Financial Corporation ("WFC") and its wholly owned subsidiary bank, Webster Bank, National Association ("Webster Bank"), and (ii) Sterling Bancorp and its wholly owned subsidiary bank, Sterling National Bank ("Sterling Bank"), and other information regarding additional matters of a similar nature, which is commercial or financial information that is both customarily and actually treated as private by WFC, Webster Bank, Sterling Bancorp and Sterling Bank and provided to the government under an assurance of privacy. None of this information is the type of information that would otherwise be made available to the public under any circumstances. All such information, if made public, could result in substantial and irreparable harm to WFC, Webster Bank, Sterling Bancorp and Sterling Bank. Other exemptions from disclosure under the FOIA may also apply. In addition, investors and potential investors could be influenced or misled by such information, which is not reported in any documents filed or to be filed in accordance with the disclosure requirements of applicable securities laws, as a result of which WFC or Sterling Bancorp could be exposed to potential inadvertent violations of law or exposure to legal claims. Accordingly, confidential treatment is respectfully requested for the Confidential Materials under the FOIA and the Board's implementing regulations.

Please contact Patricia A. Robinson (212/403-1127) or Richard K. Kim (212/403-1354) before any public release of any of this information pursuant to a request under the FOIA or a request or demand for disclosure by any governmental agency, congressional office or committee, court or grand jury. Such prior notice is necessary so that WFC, Webster Bank, Sterling Bancorp and Sterling Bank may take appropriate steps to protect such information from disclosure.

PRELIMINARY STATEMENT

Introduction

Webster Financial Corporation ("WFC") is hereby submitting this application (the "Application") to the Federal Reserve Bank of Boston (the "Boston Reserve Bank") and the Board of Governors of the Federal Reserve System (the "Board" and, together with the Boston Reserve Bank, the "Federal Reserve"), respectfully requesting approval to acquire Sterling Bancorp by merger and thereby its wholly owned subsidiary bank, Sterling National Bank (the "Holdco Merger"), pursuant to sections 3(a)(3) and (5) of the Bank Holding Company Act of 1956, as amended (the "BHC Act"). Sterling Bancorp would merge with and into WFC, with WFC as the surviving corporation in a transaction structured as a "merger of equals." Immediately after consummation of the Holdco Merger, Sterling National Bank would merge with and into WFC's wholly owned subsidiary bank, Webster Bank, National Association ("Webster Bank"), with Webster Bank as the surviving bank (the "Bank Merger" and, together with the Holdco Merger, the "Proposed Transaction"). Webster Bank intends to retain and operate the main office and branches of Sterling Bank that exist on consummation of the Bank Merger as branches of Webster Bank. Webster Bank is applying to the Office of the Comptroller of the Currency (the "OCC") for approval of the Bank Merger.

WFC and Sterling Bancorp entered into an Agreement and Plan of Merger on April 18, 2021 (the "Holdco Merger Agreement"), a copy of which is provided in Exhibit 1. A copy of the form of merger agreement between Webster Bank and Sterling Bank (the "Bank Merger Agreement") is provided in Exhibit 2.

Under the Holdco Merger Agreement, the Holdco Merger is structured as a stock exchange. As discussed more fully below in the *Terms of the Proposed Transaction* section, the shares of WFC held by WFC stockholders will remain outstanding, and Sterling Bancorp stockholders will receive 0.4630 of a share of WFC common stock ("WFC Common Stock") for each share of Sterling Bancorp common stock ("Sterling Common Stock") they own. On consummation of this all-stock merger, WFC stockholders would own approximately 50.4% and Sterling Bancorp stockholders would own approximately 49.6% of the combined company, on a fully diluted basis.

WFC proposes to acquire the Sterling Bancorp nonbanking subsidiaries that exist on the date the Holdco Merger is consummated, using its financial holding company authority under section 4(k) of the BHC Act and the post-transaction notice procedures of the Board's Regulation Y. Information on the current subsidiaries of Sterling Bancorp and Sterling Bank is provided in Exhibit 4 and Confidential Exhibit A. A copy of the current organization charts of WFC and Sterling Bancorp are provided in Exhibit 3, and a copy of the pro forma organization chart of WFC is provided in Confidential Exhibit B.

The Proposed Transaction is a "merger of equals" in terms of assets, deposits and post-consummation leadership and governance. As of March 31, 2021, WFC and Sterling Bancorp, respectively, had total consolidated assets of $33.3 billion and $29.9 billion and consolidated deposits of $28.5 billion and $23.9 billion, respectively. The combined company would have approximately $63.7 billion in total assets and approximately $52.4 billion in total deposits upon consummation of the Proposed Transaction. As of March 31, 2021, Webster Bank and Sterling Bank had total consolidated assets of $33.3 billion and $29.8 billion, respectively, and total consolidated deposits of $28.8 billion and $24.0 billion, respectively. The combined bank would have approximately $63.6 billion in total assets and $52.8 billion in total deposits on consummation of the Bank Merger.

The combined company and combined bank will retain the current Webster names but will establish a new corporate headquarters and main office in Stamford, Connecticut, on the consummation of the Proposed Transaction.[1] Currently, WFC's headquarters office and Webster Bank's main office are located in Waterbury, Connecticut, and Sterling Bancorp's headquarters and Sterling Bank's main office are located in Pearl River, New York. After consummation of the Proposed Transaction, WFC will continue a multi-campus presence across Webster Bank's footprint.

This is a strategically compelling transaction that combines two successful commercial banking organizations to create a powerful Northeast regional banking organization. The Proposed Transaction draws on the substantial strengths of both WFC and Sterling Bancorp, combining two commercial banking organizations with compatible businesses, common cultures and shared commitments to customers, communities and employees. The Proposed Transaction represents a significant opportunity to grow regional and national business lines through expanding existing relationships and new customers. The consumer, small business and direct banking businesses of both organizations will benefit from expanded markets and increased investment in digital capabilities, and Webster Bank's health savings account ("HSA") business will benefit from increased capacity for growth and investment. Both WFC and Sterling Bancorp have excellent records of positively serving all the communities in which they operate, as demonstrated by the "Outstanding" and "Satisfactory" performance records of Webster Bank and Sterling Bank, respectively, under the Community Reinvestment Act (the "CRA").

Both WFC and Sterling Bancorp will continue to effectively manage the risk from the COVID-19 pandemic and actively helping their respective customers and communities mitigate the pandemic's adverse impacts. Through their respective financial and managerial strengths, both WFC and Sterling Bancorp have continued serving the financial and banking needs of their respective consumer and business customers, as well as the communities they each serve, during the pandemic. The Proposed Transaction will not diminish the ability and dedication of WFC and Webster Bank, as a combined company and combined bank, to continue meeting the financial, credit, liquidity and technical service needs of their customers throughout their expanded market during the continuation of the pandemic period.

Executive Summary

With this Application, WFC is seeking the Federal Reserve's prior approval for the Holdco Merger, pursuant to section 3 of the BHC Act. For all the reasons discussed herein, WFC submits that the Holdco Merger and Application satisfy each of the criterial factors that the

[1] WFC expects that the combined company's headquarters office will be at 200 Elm Street, Stamford, Connecticut 06901. Webster Bank is seeking permission of the Office of the Comptroller of the Currency to retain and operate its existing branch, located at 1959 Summer Street, Stamford, Connecticut 06905, as the main office of the combined bank.

Federal Reserve is required to consider under section 3 of the BHC Act. The Proposed Transaction would create a stronger regional bank with more than $63.7 billion in total assets, combining WFC's low-cost deposits with Sterling's national lending lines of business.

In acting on the Application, the Federal Reserve must consider the requirements for an interstate transaction, the statutory limits on deposit and liabilities concentrations, the financial and managerial resources and future prospects of the institutions involved and their effectiveness in combatting money laundering, the competitive effect of the Proposed Transaction, the extent to which the transaction would result in greater or more concentrated risks to the stability of the U.S. banking or financial system, the effect of the transaction on the convenience and needs of the communities to be served, and the relevant subsidiary banks' records of performance under the CRA.

The Holdco Merger would meet the requirements for an interstate banking transaction under section 3(d) of the BHC Act. For purposes of that provision, the home state of WFC is Connecticut, and Sterling Bancorp is located in only New York. The Holdco Merger would result in the combined company controlling only 0.31% of deposits nationwide – far less than the 10% nationwide deposit cap in section 3(d) of the BHC Act. In addition, the Holdco Merger would be consistent with relevant state deposit cap concentration limits, age limits and community reinvestment statute requirements for a permissible interstate transaction. On consummation of the Holdco Merger, WFC would also have far less than 10% of nationwide liabilities (far below even 1%) and, therefore, the Application is consistent with the BHC Act's liabilities concentration limit.

WFC and Sterling Bancorp are committed to maintaining their strong and prudent financial, operating and risk profiles at the combined company and combined bank upon consummation of the Proposed Transaction. WFC and Sterling Bancorp are financially strong and well-managed banking organizations. They have ample financial and managerial resources and compatible robust risk management programs to consummate the Proposed Transaction and successfully integrate the two companies and banks.

WFC and Sterling Bancorp, and their respective subsidiary banks, are each well-capitalized. Both WFC and Sterling Bancorp have capital ratios well in excess of the minimum capital ratios required for well-capitalized status. On consummation of the Proposed Transaction, the capital and liquidity resources of WFC and Webster Bank would remain well above regulatory requirements and supervisory expectations. WFC also would continue to maintain prudent capital and liquidity planning risk management practices. The Proposed Transaction would result in the combined company having even stronger financial and operating metrics, as well as greater diversity in sources of income and increased earnings, than if WFC or Sterling Bancorp continued as separate companies.

The Proposed Transaction would unite two strong banking organizations and further enhance the financial strength and future prospects, as a combined organization, through access to new markets and customers, while permitting the combined company and combined bank to offer a wider range of products and services, increase investments in technology and innovation to offer customers enhanced digital products and services, and strong cybersecurity protections. Other strategic benefits that will enhance WFC and Webster Bank's future prospects include, among others: (1) strong cultural alignment to deliver superior customer service and outstanding community support, including to low- and moderate-income ("LMI") communities and other underserved areas, and to enhance productive relationships with community organizations in local communities within the combined bank's footprint; (2) ability to attract and retain top industry talent in the combined company's footprint, business lines and operations through expanded operations, training and career opportunities; and (3) complementary businesses, including those with national reach, to generate revenue growth opportunities in a more diversified business mix and broader set of markets through (a) Webster Bank's broader residential home mortgage offerings and treasury management business and its low-cost HSA deposit-gathering activities and (b) Sterling Bank's specialized lending products and services and digital offerings.

Reflecting the equal contributions of both organizations, the board and senior executive management will draw from the strengths of both sides. Jack L. Kopnisky, the current President and Chief Executive Officer of Sterling Bancorp and Chief Executive Officer of Sterling Bank, will serve as the Executive Chairman of the combined company's and combined bank's Boards of Directors for 24 months after the Proposed Transaction closes, and will continue in a consulting capacity for an additional 12 months thereafter. John R. Ciulla, the current Chairman of the Board, President and Chief Executive Officer of WFC and Webster Bank, will serve as the President and Chief Executive Officer of the combined company and combined bank until 24 months after the Proposed Transaction closes, at which time he will become Chairman of the Boards of Directors and President and Chief Executive Officer of the combined company and combined bank.

On consummation of the Proposed Transaction, the Boards of Directors of WFC and Webster Bank will be increased to 15 members, consisting of eight legacy directors from WFC/Webster Bank and seven legacy directors from Sterling Bancorp/Sterling Bank. William L. Atwell, who currently is the lead independent director of WFC and Webster Bank (or another independent member of WFC/Webster Bank's Boards of Directors designated by WFC), will serve as the lead independent director of the combined company and combined bank for 24 months after the Proposed Transaction closes. After the expiration of this 24-month period, until at least the date of WFC's 2024 annual stockholders meetings (the "2024 Annual Meeting"), a legacy independent director of Sterling Bancorp and Sterling Bank will serve as the combined organization's lead independent director.

The combined company's and combined bank's senior executive management team will be comprised of other senior executive officers of both organizations. In addition to Mr. Ciulla, the senior executive leadership team of the combined company and combined bank will include: Glenn I. MacInnes (currently, Chief Financial Officer at WFC and Webster Bank) as Chief Financial Officer, and Luis Massiani (currently, the Chief Operating Officer at Sterling Bancorp and Sterling Bank and President at Sterling Bank) as Chief Operating Officer.

The remaining senior executive leadership team and members of the Boards of Directors of the combined company and combined bank will be selected within approximately 15 days and 90 days, respectively, after the Application is filed. We will provide the Federal Reserve with the names of the directors and senior executive officers selected as a supplement to the Application.

WFC and Webster Bank will continue to have appropriate managerial resources and risk management systems to continue operating in a safe and sound manner and complete a successful integration with Sterling Bancorp and Sterling Bank. The combined company and combined bank will draw from the highly experienced Boards of Directors and management teams of both companies and banks and their experience in successfully integrating banking and nonbanking organizations acquired through prior acquisitions.

WFC and Sterling Bancorp each have robust enterprise risk management programs in place, including for capital, liquidity, credit, operational and compliance risks. The Proposed Transaction will not materially increase the risk profile of WFC and, instead, will result in a more diversified banking organization that is able to compete with other regional banking organizations and the largest U.S. banking organizations. During the integration planning process, WFC and Sterling Bancorp will design an enterprise risk management program for the combined company and combined bank that incorporates the best practices of both organizations.

Both WFC and Sterling Bancorp have management who are experienced in successfully integrating operations of acquired entities. The similar commercial banking business models, business lines, cultures and risk management practices of WFC and Sterling Bancorp will reduce execution risk associated with integrating Sterling Bancorp's and Sterling Bank's operations into WFC and Webster Bank, respectively. To assist in the decision-making process for the Proposed Transaction and planning for a successful integration, management of WFC and Sterling Bancorp led a comprehensive due diligence review of all lines of business and functional areas of each other's organizations, including, among other areas: credit, compliance, operations, human resources, finance and capital, information technology and legal aspects. The senior leadership of WFC and Sterling Bancorp have established an integration planning framework and process with governance and risk management protocols.

WFC and Sterling Bancorp have each implemented strong compliance risk management programs, including for compliance with the Bank Secrecy Act ("BSA") and other anti-money laundering ("AML") laws, the sanctions restrictions issued by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), and fraud prevention ("Financial Crimes Compliance"). Each of WFC and Sterling Bancorp also have in place effective risk management programs for compliance with fair lending and other consumer protection laws ("Consumer Compliance").

The Proposed Transaction would not significantly lessen competition in any banking market in which the branch networks of Webster Bank and Sterling Bank overlap. The branch networks of the organizations currently overlap in only one banking market – the Metro New York City, NY-NJ-CT-PA banking market, as defined by the Federal Reserve Bank of New York. The transaction would not exceed the screens used by the Federal Reserve or the U.S. Department of Justice (the "DOJ") to identify transactions that warrant closer scrutiny. Moreover, numerous competitors would remain in this banking market.

In addition, the Proposed Transaction would not pose any significant risk to the stability of the U.S. banking or financial system. Both WFC and Sterling Bancorp are focused on traditional consumer and commercial banking services, for which there are numerous competitors. On consummation of the Proposed Transaction, WFC would be only the 44th largest U.S. banking organization, based on total assets. Moreover, the total consolidated assets of the combined company would be $63.7 billion and, therefore, consistent with the Federal Reserve's presumption that a resulting firm with less than $100 billion in total assets would not pose systemic risk. This presumption is further supported by the facts of the Proposed Transaction. Neither WFC nor Sterling Bancorp (i) provides core clearing and settlement services or (ii) engages in repurchase, securities lending, custody, or debt or equity underwriting services. In addition, WFC and Webster Bank would not acquire any foreign entities in connection with the Proposed Transaction. WFC would remain core deposit funded, with a pro forma loan-to-deposit ratio of 79.9% and no significant reliance on short-term wholesale funding. The Proposed Transaction also would not complicate any resolution process in the event of serious financial distress. Upon consummation of the Proposed Transaction, 99.8% of the assets of the combined organization would be held through Webster Bank and subject to the well-established resolution process under the Federal Deposit Insurance Act.

The Proposed Transaction will benefit the convenience and needs of the communities served by WFC and Sterling Bancorp, including their customers, communities and employees, by combining two organizations with strong customer service-centric cultures, compatible business lines and compliance risk management models, and expanding digital offerings. The combined company and combined bank will maintain their shared values, strong risk management and responsible corporate citizenship. Both WFC and Sterling Bancorp (1) prioritize their customers, including by providing high-quality products and services to all customers; (2) are dedicated to their communities, including through financial support, leadership engagement and close collaboration with local organizations; and (3) invest in their employees, including by building diverse teams and providing effective training, support and opportunities.

The combined company will apply the four pillars of Webster Bank's community investment strategy, which include: (1) support for affordable housing and home ownership; (2) lending and investments in small businesses and communities, including to help schools, hospitals and other essential needs; (3) further engagement with local community organizations; and (4) increased access to banking products and services, including through useful and accessible digital tools.

How the Proposed Transaction will benefit the convenience and needs of the communities to be served is also demonstrated by the overall "Outstanding" rating for CRA performance that Webster Bank has achieved and the overall "Satisfactory" CRA performance rating that Sterling Bank has earned. The combined bank will strive to continue achieving an overall "Outstanding" rating. Both Webster Bank and Sterling Bank: (1) offer premier customer service, and a full range of products and services for consumers and small businesses, including those designed to benefit LMI customers and communities; (2) actively engage in community development lending and investment activities, often in leadership positions; and (3) provide extensive community development services. The combined bank will continue Webster Bank's and Sterling Bank's records of engaging in community development lending, investment and services activities that are often innovative and targeted to address urgent community needs, such as those associated with the COVID-19 pandemic.

Following consummation of the Proposed Transaction, Webster Bank will extend its successful community reinvestment program into the communities currently served by Sterling Bank, while integrating the successful local strategies, products and programs of Sterling Bank where appropriate and leveraging Sterling Bank's community organization relationships. Webster Bank is carefully evaluating Sterling Bank's current consumer products and community development programs so that Webster Bank may integrate the strongest components into its CRA program and strive to maintain its record of overall "Outstanding" CRA performance, including in the legacy CRA assessment areas of Sterling Bank. Webster Bank and Sterling Bank look forward to working with each other and their community partners to map out ways the combined bank can best serve the banking, credit and investment needs of all the communities within its expanded footprint.

The convenience and needs of communities will also benefit from the enhanced digital offerings and expanded products and services resulting from the Proposed Transaction. Current WFC and Sterling Bancorp customers will benefit from a wider offering of beneficial products and services, as well as expanded bank branch and ATM networks. Legacy Sterling Bancorp and Sterling Bank customers will gain access to Webster Bank's active residential mortgage origination business, broader lending options for small businesses, and wider scope of cash management and investments options. Legacy WFC and Webster Bank customers will gain access to Sterling Bank's broader digital product offerings, peer-to-peer payment options and commercial customer offerings.

Webster Bank and Sterling Bank believe that the branch network of the combined bank will well serve their customers and communities. The respective branch networks of Webster Bank and Sterling Bank have minimal overlap. Webster Bank and Sterling Bank do not expect to close or consolidate any Webster Bank or Sterling Bank branch as a result of the Proposed Transaction.

The combined company and combined bank will continue WFC's and Sterling Bancorp's prioritization of diversity and inclusion. Each of WFC and Sterling Bancorp are dedicated to diversity, the inclusion of all people and groups, and reinvesting, strengthening and enriching the lives of all segments of the communities where they operate. This is demonstrated by each organization's initiatives focused on the economic empowerment of minorities and LMI communities, actions to address systemic racism and providing financial support during the COVID-19 pandemic, including to the minority and LMI communities that have been disproportionately impacted by the pandemic. For example, in 2020, WFC hired a new diversity, equity and inclusion officer (the "DE&I Officer") to enhance its diversity, equity and inclusion initiatives and programs, including for its employees, communities and third-party vendors. In addition, WFC and Sterling Bancorp have expanded their partnerships with, and funding to, community organizations addressing racial injustice and promoting diversity, equity and inclusion.

Both organizations also have implemented extensive training on unconscious bias, established leadership groups and tools to promote diversity and inclusion at all levels within their organizations and established business resource groups to support and mentor employees who are minorities, women, LGBTQ+, military veterans or other groups.[2] The combined company and combined bank will continue these shared principles, values, priorities and actions at the combined organization after consummation of the Proposed Transaction.

In addition, Webster Bank has provided financial support during the pandemic to nonprofit organizations and community development financial institutions ("CDFIs") to assist individuals and businesses in minority, LMI and other disproportionately impacted communities. Sterling Bank also has provided significant charitable contributions to nonprofit community organizations to provide essential services to residents in need, and funding for local food banks and other providers of critical services. Such initiatives have been in addition to the extensive pandemic-related lending and credit-relief actions for consumers and small businesses taken by both Webster Bank and Sterling Bank.

Based on the foregoing and as explained in more detail below and in the exhibits to the Application, the Holdco Merger will satisfy all of the factors the Federal Reserve must consider and, accordingly, the Application is fully consistent with approval and should be approved as soon as possible.

Terms of the Proposed Transaction

A copy of the executed Holdco Merger Agreement is provided in Exhibit 1, and the form of Bank Merger Agreement is provided in Exhibit 2 (a copy is also in Exhibit C to the Holdco Merger Agreement). WFC will provide a copy of the final executed Bank Merger Agreement to the Federal Reserve and OCC promptly after it is executed.

Certified joint resolutions by the Boards of Directors of WFC and Webster Bank approving the Holdco Merger and Bank Merger, entering into the related merger agreements, filing the related regulatory applications and other submissions, and taking other actions to effect the Proposed Transactions, including finalizing and executing the Bank Merger Agreement, are provided in Exhibit 5. In addition, certified joint resolutions by the Boards of Directors of Sterling Bancorp and Sterling Bank approving the Holdco Merger and the Bank Merger, entering into the related merger agreements, making all the necessary related regulatory submissions and taking other actions to effect the Proposed Transaction, including finalizing and executing the Bank Merger Agreement, are provided in Exhibit 6.

The Form 8-K filed by WFC with the U.S. Securities and Exchange Commission (the "SEC") in connection with its entry into the Holdco Merger Agreement is provided in Exhibit 7. We will provide the Federal Reserve with a copy of the Registration Statement on Form S-4 (the "Form S-4") and joint proxy statement of WFC and Sterling Bancorp to be filed with the SEC and conveyed to the respective stockholders of WFC and Sterling Bancorp (as applicable) prior to the stockholders' voting on the Proposed Transaction, promptly after such documents are finalized.

[2] For example, Sterling Bank has established the IMPAACT (Igniting the Message for People Alternatively Able & Creating Togetherness) Group, which is designed for persons who are alternatively abled.

Below is a summary of the principal terms of the Holdco Merger Agreement:

Structure	Sterling Bancorp will merge with and into WFC, with WFC continuing as the surviving corporation. Following the Holdco Merger, Sterling Bancorp's wholly owned bank subsidiary, Sterling Bank, will merge with and into WFC's wholly owned bank subsidiary, Webster Bank, with Webster Bank continuing as the surviving bank.
Consideration	Each outstanding share of Sterling Common Stock will be converted into the right to receive a fraction of a share of WFC Common Stock at a fixed exchange ratio of 0.4630 (the "Exchange Ratio").
Treatment of Sterling Bancorp Preferred Stock	Each outstanding share of Sterling Bancorp's 6.50% Non-Cumulative Perpetual Preferred Stock, Series A, par value $0.01 per share, of Sterling Bancorp ("Sterling Preferred Stock") will be converted into the right to receive one share of a newly issued series of WFC preferred stock having substantially the same terms as the Sterling Bancorp Preferred Stock ("New WFC Preferred Stock").
Treatment of Equity Awards	*Stock Options*: Each outstanding Sterling Bancorp stock option will be converted into an option to purchase shares of WFC Common Stock, with the exercise price and the number of shares of WFC Common Stock underlying the converted option adjusted based on the Exchange Ratio. *Restricted Stock Awards*: Each unvested restricted stock award in respect of Sterling Bancorp Common Stock that is held by a non-employee director will vest and be converted into the right to receive the merger consideration. Each other unvested restricted stock award will be converted into a restricted stock award in respect of WFC Common Stock, with the number of shares of WFC Common Stock adjusted based on the Exchange Ratio. *Performance Share Awards*: Each performance share award in respect of Sterling Bancorp Common Stock will be converted into a restricted stock award in respect of WFC Common Stock, with the number of shares of WFC Common Stock adjusted based on the Exchange Ratio. Any applicable performance goals will be deemed satisfied at the greater of the target and actual level of performance through the latest practicable date prior to closing. *Phantom Stock Units*: Each hypothetical Sterling Bancorp Common Stock investment will be converted into a hypothetical WFC Common Stock investment, with the number of shares of WFC Common Stock adjusted based on the Exchange Ratio.

Governance; Bylaw Amendment; Certificate Amendment	At closing: • The WFC Board of Directors (the "<u>Board</u>") and the Webster Bank Board of Directors (the "<u>Bank Board</u>") will each be comprised of 15 directors, including eight members of the legacy Board, designated by WFC (including John R. Ciulla) and seven members of the legacy Sterling Bancorp Board of Directors, designated by Sterling Bancorp (including Jack L. Kopnisky). • Mr. Kopnisky will serve as Executive Chairman of the Board and the Bank Board, Mr. Ciulla will serve as President and Chief Executive Officer of WFC and Webster Bank and as a member of the Board and the Bank Board, and William L. Atwell (or another independent member of the legacy Board designated by WFC) will serve as Lead Independent Director of the Board and the Bank Board. • Glenn I. MacInnes will serve as Chief Financial Officer of WFC and Webster Bank, and Luis Massiani will serve as Chief Operating Officer of WFC and Webster Bank. Effective at closing, the headquarters and main office of WFC and Webster Bank will be located in Stamford, Connecticut. Upon the two-year anniversary of the closing (or earlier, if Mr. Kopnisky ceases to serve as Executive Chairman before that time), (i) Mr. Ciulla will succeed Mr. Kopnisky as Chairman of the Board and the Bank Board and will continue to serve as President and Chief Executive Officer of WFC and Webster Bank, (ii) Mr. Kopnisky will cease to serve as a member of the Board and the Bank Board and will become a strategic consultant to WFC and Webster Bank until the third anniversary of closing, and (iii) a continuing, independent Sterling Bancorp director will succeed Mr. Atwell (or such other continuing WFC director then in such office) as Lead Independent Director of the Board and the Bank Board. Until the 2024 Annual Meeting, any Board vacancies resulting from cessation of service (i) of any former Sterling Bancorp director must be approved by a majority of the continuing Sterling Bancorp directors (or their successors) and (ii) of any former WFC director must be approved by a majority of the continuing WFC directors (or their successors). The governance arrangements with respect to WFC will be maintained until the 2024 Annual Meeting unless modified by a 75% affirmative vote of the full Board, and will be reflected in an amendment to WFC's bylaws to be effective at closing. In addition, the following actions will require the affirmative vote of at least 75% of the full Board: (1) prior to the two-year anniversary of the closing, the removal of or failure to appoint, re-elect or re-nominate Mr. Kopnisky as Executive Chairman of the Board and the Bank Board; (2) prior to the two-year anniversary of the closing (or earlier, if Mr. Kopnisky ceases to serve as Executive Chairman before that time),

	the removal of or failure to appoint, re-elect or re-nominate Mr. Ciulla as President and Chief Executive Officer of WFC and of Webster Bank and as a member of the Board and the Bank Board; (3) from and after the two-year anniversary of the closing (or earlier, if Mr. Kopnisky ceases to serve as Executive Chairman before that time) until the 2024 Annual Meeting, the removal of or failure to appoint, re-elect or re-nominate Mr. Ciulla as Chairman of the Board and the Bank Board and as President and Chief Executive Officer of WFC and Webster Bank; and (4) prior to the third-year anniversary of the closing, the removal or termination of Mr. Kopnisky as a strategic consultant to WFC and Webster Bank. At closing, WFC's certificate of incorporation will be amended to increase the number of authorized shares of WFC Common Stock from 200 million to 400 million to facilitate the share issuance in the Holdco Merger and provide proportionate headroom on a pro forma basis.
Conditions to Closing the Holdco Merger	Each party's obligation to close the Holdco Merger will be subject to the following conditions: • adoption of the Holdco Merger Agreement and adoption and approval of the WFC certificate amendment by the stockholders of WFC (each by affirmative vote of the holders of a majority of the outstanding shares of WFC Common Stock entitled to vote) and adoption of the Holdco Merger Agreement by the stockholders of Sterling Bancorp (by the affirmative vote of the holders of a majority of the outstanding shares of Sterling Common Stock entitled to vote); • receipt of required regulatory approvals, without any approval resulting in a condition that would reasonably be likely to have a material adverse effect on the combined company; • absence of any law or injunction prohibiting the Holdco Merger; • effectiveness of the Form S-4 registering the issuance of the WFC Common Stock to be issued in the Holdco Merger; • authorization for listing on the New York Stock Exchange (the "NYSE") of the shares of WFC Common Stock and New WFC Preferred Stock (or depositary shares in respect thereof) to be issued in the Holdco Merger; • receipt of a tax opinion from its counsel to the effect that the Holdco Merger qualifies as a "reorganization" for tax purposes; and • the accuracy of the other party's representations and warranties as of the date of the Holdco Merger Agreement and as of the closing date, and performance of its covenants, subject to customary materiality standards.

<table>
<tr><td>No Shop; Stockholder Recommendation</td><td>Each party agrees to non-solicitation covenants restricting it from soliciting or negotiating competing business combination proposals or changing its recommendation that its stockholders approve the Holdco Merger Agreement. A party's non-solicitation commitments are subject to a customary fiduciary duty exception permitting its Board of Directors to engage in discussions regarding an unsolicited proposal prior to the receipt of the applicable stockholder approval of the Holdco Merger Agreement to the extent that the board determines in good faith that failure to do so would more likely than not result in a violation of its fiduciary duties.

Each party's Board of Directors is required to recommend approval of the Holdco Merger to its stockholders and is not permitted to change its recommendation unless it determines, in good faith, that failure to do so would more likely than not result in a violation of its fiduciary duties.

As is typical in strategic merger transactions, neither party may terminate the Holdco Merger Agreement on account of a competing business combination proposal, and each party is required to submit the Holdco Merger to a vote at its stockholder meeting, even if its Board of Directors changes its recommendation to stockholders.</td></tr>
<tr><td>Termination Rights</td><td>The Holdco Merger Agreement will be terminable at any time prior to the closing by mutual written consent, and in the following limited circumstances:

• by Sterling Bancorp or WFC if there is a final injunction prohibiting the closing or if a required regulatory approval has been finally denied (unless the failure to obtain a regulatory approval is due to the terminating party's breach of its covenants);

• by Sterling Bancorp or WFC if the Holdco Merger has not been consummated by the first anniversary of the date of the Holdco Merger Agreement (the "<u>Termination Date</u>") (so long as the terminating party's breach of its covenants is not the cause of the delay);

• by either party if there is an uncured or incurable breach by the other party of any of its representations or covenants that would result in the failure of certain closing conditions;

• by WFC if Sterling Bancorp or its Board of Directors has withdrawn its recommendation that its stockholders approve the Holdco Merger Agreement, failed to make such recommendation in the joint proxy statement, recommended a competing business combination, or failed to recommend against a competing business combination or to reaffirm its recommendation of the Holdco Merger Agreement upon request (any of the foregoing, a "<u>Recommendation Change</u>"), or materially breached its covenants related to the no-shop or stockholder approval; or</td></tr>
</table>

	• by Sterling Bancorp if WFC or its Board of Directors has made a Recommendation Change, or materially breached its covenants related to the no-shop or stockholder approval. The Holdco Merger Agreement does not contain a termination right for either party as a result of a decline in either party's stock price.
Termination Fee	A cash termination fee equivalent to $185 million will be payable by either Sterling Bancorp or WFC to the other party if: (1) such party receives a competing business combination proposal, its stockholders fail to approve the Holdco Merger, but all of its other closing conditions are capable of being satisfied and the Holdco Merger Agreement is then terminated because the Termination Date is reached (or is terminated in other limited circumstances) and within 12 months of termination such party accepts a competing business combination proposal; or (2) the Holdco Merger Agreement is terminated because such party made a Recommendation Change or materially breached its covenants related to the no-shop or stockholder approval.
Employee Matters	*Post-Closing Compensation and Benefits*. WFC will provide each continuing Sterling Bancorp employee with the following compensation and benefits during the one-year period following the closing: • annual base salary or wages that are no less than that in effect for such employee prior to the closing; • target cash incentive opportunities that are no less favorable than those provided to similarly situated WFC employees (except that if the closing occurs in 2021, the target cash incentive opportunities for 2021 will be no less favorable than those provided to such employee prior to the closing); • employee statutory entitlements and employee benefits (other than severance) and other compensation that are substantially comparable in the aggregate to those provided to similarly situated WFC employees; and • for employees not party to an individual agreement providing for severance, cash severance benefits under the applicable severance plan set forth on the disclosure schedules, subject to the employee's execution of a release of claims. *Retention Agreements*. Concurrently with the execution of the Holdco Merger Agreement, WFC and/or Webster Bank, as applicable, entered into a retention agreement with each of Messrs. Ciulla, Kopnisky, MacInnes and Massiani, in each case contingent upon, and to become effective as of, the closing.
Other Agreements	The Holdco Merger Agreement also contains customary covenants of the parties with respect to access to information, SEC filings (including the filing of a joint proxy statement for the meetings of WFC and Sterling

	Bancorp stockholders and a registration statement for the WFC shares to be issued in the Holdco Merger), cooperation to obtain regulatory and other approvals and consents, WFC's commitment to provide customary D&O insurance and indemnity, public announcements, stockholder litigation and assumption of Sterling Bancorp's outstanding indebtedness.
Conduct of Business Covenants	During the interim period between the Holdco Merger Agreement execution date and the Holdco Merger closing, each party will be subject to customary covenants and restrictions requiring it, subject to certain exceptions, to refrain from certain specified actions and conduct its business in the ordinary course.

The Companies and Banks

Webster Financial Corporation and Webster Bank, National Association

WFC. WFC is a bank holding company and financial holding company incorporated under the laws of Delaware and headquartered in Waterbury, Connecticut. WFC serves consumers, businesses, nonprofit organizations and governmental entities in Connecticut, Massachusetts, Rhode Island and the metropolitan area of New York City. As of March 31, 2021, WFC had total consolidated assets of $33.3 billion and total deposits of $28.5 billion.

WFC's Common Stock is traded on the NYSE under the symbol *WBS*. WFC conducts substantially all of its activities through its wholly owned subsidiary bank, Webster Bank, and Webster Bank's subsidiaries. Its other direct consolidated subsidiaries include Webster Wealth Advisors, Inc. and Webster Licensing, LLC. WFC also has an unconsolidated subsidiary, Webster Statutory Trust, a special purpose financial vehicle that has issued trust preferred securities. A current WFC organizational chart is provided in Exhibit 3.

Webster Bank. Webster Bank, a national bank, is the sole subsidiary bank of WFC, and its main office is in Waterbury, Connecticut. Webster Bank began operations in 1870 through a predecessor named Bristol Savings Bank. Webster Bank provides business and consumer banking, mortgage, financial planning, trust and investment services through 130 branches (called "banking centers") and 253 ATMs in Connecticut, Massachusetts, New York and Rhode Island,[3] as well as a full line of online and mobile banking services. Webster Bank is a leading Northeast regional bank serving consumer, small business, commercial, nonprofit organization and government entity customers. As of March 31, 2021, Webster Bank had total consolidated assets of $33.3 billion and total consolidated deposits of $28.8 billion.

Webster Bank's activities are organized broadly around three business lines: commercial banking, community banking and the HSA Bank. The commercial banking activities of Webster Bank include middle-market, commercial real estate and asset-based lending, equipment financing, private banking and treasury management and payment solutions services. Its community banking activities include deposits, residential mortgage lending, home equity lines/loans and unsecured consumer loans. Webster Bank also offers credit card products

[3] Data is as of June 1, 2021.

through a partnership with a third party. In addition, Webster Bank also offers investment and securities-related services, including brokerage and investment advice, through a strategic partnership with a third-party, registered broker dealer.

The HSA Bank, which operates as a division of Webster Bank, provides health savings account custodian and administrative services. The HSA Bank is one of the top three health savings account providers nationwide with approximately three million customers. In addition to providing health savings accounts, the HSA Bank delivers health reimbursement arrangements and flexible spending and commuter benefit account administration services to employers and individuals in all 50 states.

The significant operating subsidiaries of Webster Bank include: (1) Webster Business Credit Corporation, an asset-based lending firm; and (2) Webster Capital Finance Corporation, an equipment finance firm, specializing in construction, transportation, environmental and manufacturing equipment.

Sterling Bancorp and Sterling National Bank

Sterling Bancorp. Sterling Bancorp is a bank holding company and financial holding company incorporated under the laws of Delaware and headquartered in Pearl River, New York. As of March 31, 2021, Sterling Bancorp had total consolidated assets of $29.9 billion and consolidated deposits of $23.9 billion. Sterling Common Stock is traded on the NYSE under the symbol *STL*.

Sterling Bancorp became a bank holding company in 2013 when the following events occurred in immediate succession: (1) its predecessor, Provident New York Bancorp ("Provident"), a savings and loan holding company, merged with Sterling Bancorp, with Provident as the surviving company, and changed its name to "Sterling Bancorp," (2) their respective subsidiary depository institutions, Provident Bank and Sterling Bank merged, with Provident Bank as the surviving institution, and (3) Provident Bank converted from a federal savings association to a national bank and changed its name to "Sterling National Bank."

In addition to Sterling Bank through which Sterling conducts substantially all of its activities, Sterling Bancorp has one direct nonbanking subsidiary, STL Holdings, Inc., which is a non-operational company that holds a 50% ownership interest in Sterling Silver Title Agency L.P. ("Sterling Silver Title"), which previously engaged in title insurance agency activities. Sterling Silver Title in turn has a wholly owned subsidiary, Sterling Silver Abstract LLC, which previously engaged in title abstract services. A current organizational chart of Sterling Bancorp is provided in Exhibit 3.

Sterling Bank. Sterling Bank, with its main office in Pearl River, New York, is the principal subsidiary and sole subsidiary bank of Sterling Bancorp. The ultimate predecessor institution of Sterling Bank (Provident Savings, A Federal Savings and Loan Association) was founded in 1888. As of March 31, 2021, Sterling Bank had total consolidated assets of $29.8 billion and total consolidated deposits of $24.0 billion.

Sterling Bank offers a complete line of commercial, business and consumer banking products and services through 75 branches (called "financial service centers") in 10 counties in the greater New York City metropolitan area.[4] As a regional bank, Sterling Bank provides a broad offering of deposit, lending and wealth management products to commercial, consumer and municipal customers. The focus of the bank's business is on delivering products and services to small- and middle-market commercial businesses and business owners. In recent years, Sterling Bank has exited some consumer businesses, including direct originations of residential mortgage loans and trust management.

Sterling Bank, directly or through subsidiaries, engages in several business activities nationwide, including: wealth management services through AF Agency, Inc.; and payroll finance, warehouse lending and factored receivables directly through Sterling Bank. Through Sterling National Funding Corporation, Sterling Bank also originates loans to municipalities and governmental entities and acquires securities issued by state and local governments. Other subsidiaries of Sterling Bank (i) control a real estate investment trust that holds real estate mortgage loans and (ii) hold foreclosed properties acquired by Sterling Bank as debts previously contracted. Information about the direct and indirect subsidiaries of Sterling Bancorp and Sterling Bank is provided in Exhibit 4 and Confidential Exhibit A.

Combined Company Stockholders

WFC Stockholders Before the Holdco Merger. WFC does not know of any entity or individual that, currently, beneficially owns more than 5% of the outstanding shares of any class of WFC Common Stock, except for certain investment funds as provided below:

Beneficial Owners	Number of WFC Common Stock Shares[5]	Percentage of Common Stock
T. Rowe Price Associates, Inc.	11.4 million	12.61%
The Vanguard Group, Inc.	8.4 million	9.35%
BlackRock, Inc.	7.3 million	8.09%

Sterling Bancorp Stockholders Before the Holdco Merger. Sterling Bancorp does not know of any entity or individual that, currently, beneficially owns more than 5% of the outstanding shares of any class of Sterling Common Stock, except for certain investment funds as provided below:

[4] Data is as of June 1, 2021.

[5] Data on the stockholder charts in the Application is as of March 31, 2021, based on information in the most recent Schedule 13D or 13G (or amendment thereto) filed with the SEC pursuant to the Securities Exchange Act, unless otherwise indicated. In accordance with Rule 13d-3 under the Exchange Act, a person is deemed to be the beneficial owner, for purposes of this table, of any shares of Common Stock if such person has or shares voting power and/or investment power with respect to the security, or has the right to acquire beneficial ownership at any time within 60 days from January 31, 2021. As used herein, "voting power" includes the power to vote or direct the voting of shares, and "investment power" includes the power to dispose or direct the disposition of shares.

Beneficial Owners	Number of Sterling Common Stock Shares[6]	Percentage of Sterling Common Stock
The Vanguard Group, Inc.	17.7 million	9.15%
BlackRock, Inc.	15.3 million	7.96%
State Street Global Advisors (US)	11.1 million	5.75%
Dimensional Fund Advisors LP	10.9 million	5.68%
Wellington Management Company, LLP	10.8 million	6.62%

Combined Company Pro Forma Stockholders. Both WFC and Sterling Bancorp are public companies that trade on the NYSE. They each have broad stockholder bases, and the combined company will continue to have a diverse stockholder base. As noted, the legacy WFC stockholders and legacy Sterling Bancorp stockholders will own approximately 50.4% and 49.6%, respectively, of the combined company.

WFC is not aware of any entity or individual that definitely will become a 5% or more stockholder *as a result of* the Holdco Merger. Based on the Exchange Ratio (0.4630) and assuming the stockholders noted above who own 5% or more of WFC Common Stock or Sterling Common Stock retain their same shareholdings, and other overlapping stockholders retain their same shareholdings in the respective companies, the stockholders that would own more than 5% of WFC Common Stock and their holdings are noted below:

Beneficial Owner	Number of WFC Common Stock Shares on a Pro Forma Basis[7]	Percentage of Pro Forma WFC Common Stock Shares Outstanding
The Vanguard Group, Inc.	16.6 million	9.24%
BlackRock, Inc.	14.4 million	8.01%
T. Rowe Price Associates, Inc.	11.5 million	6.39%
State Street Global Advisors (US)	9.0 million	5.02%

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[6] Data on the stockholder charts in the Application is as of March 31, 2021, based on information in the most recent Schedule 13D or 13G (or amendment thereto) filed with the SEC pursuant to the Securities Exchange Act, unless otherwise indicated. In accordance with Rule 13d-3 under the Exchange Act, a person is deemed to be the beneficial owner, for purposes of this table, of any shares of Common Stock if such person has or shares voting power and/or investment power with respect to the security, or has the right to acquire beneficial ownership at any time within 60 days from January 31, 2021. As used herein, “voting power” includes the power to vote or direct the voting of shares, and “investment power” includes the power to dispose or direct the disposition of shares.

[7] Calculated by adding the number of shares of WFC Common Stock outstanding held by the stockholder as of March 31, 2021 (based on public information), and the number of additional shares of WFC Common Stock to be issued to the Sterling Bancorp stockholders [# WFC shares + (# Sterling Bancorp shares) x 0.4630) = pro forma WFC # shares].

Required Approvals

In addition to the Application, applications or filings to regulatory agencies will include:

- An application to the OCC for prior approval for Sterling Bank to merge with and into Webster Bank, with Webster Bank as the surviving institution, pursuant to section 18(c) of the Federal Deposit Insurance Act, 12 U.S.C. § 1828(c) (the "Bank Merger Act") and 12 U.S.C. § 1831u; to operate an existing branch of Webster Bank as the main office of the combined bank, and to retain and operate the main office and branches of Sterling Bank as licensed branches of Webster Bank pursuant to the Bank Merger Act, 12 U.S.C. §§ 36(d) and 215a-1 of the National Bank Act (12 U.S.C. §§ 36(d), 215a-1 and 1831u); and acquire the subsidiaries of Webster Bank and operate them as operating subsidiaries, pursuant to 12 U.S.C. § 24, all in accordance with 12 CFR part 5 (the "OCC Application").[8]

- A copy of the Application (and OCC Application) to the New York State Department of Financial Services, the state banking regulator in the state in which Sterling Bank operates branches.

In addition, appropriate notices or other filings will be made, as needed, to the states in which the subsidiaries of Sterling Bancorp and/or Sterling Bank are licensed.

Public Notice

The form of newspaper notice for the Application is provided in Exhibit 8. We have arranged for the newspaper notice to appear in each of: (1) the *Republican-American*, a newspaper of general circulation in Waterbury, Connecticut, the city in which the current headquarters of WFC and the current main office of Webster Bank are located; (2) *The Journal News*, a newspaper of general circulation in Pearl River, New York,[9] the city in which the headquarters office of Sterling Bancorp and the main office of Sterling Bank are located; and (3) *The Advocate*, a newspaper of general circulation in Stamford, Connecticut, the city in which the headquarters of WFC and the main office of Webster Bank will be located on consummation of the Proposed Transaction. Copies of the publication affidavits from those newspapers will be provided to the Federal Reserve once they become available.

Factors for Federal Reserve Review

I. Interstate Banking Transaction Requirements

A. Interstate Banking Requirements

Section 3(d) of the BHC Act ("Section 3(d)"), as revised by the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 and the Dodd-Frank Wall Street Reform and

[8] Webster Bank is also seeking OCC permission to increase the amount of its aggregate investments in public welfare investments under 12 U.S.C. §24(Eleventh) and 12 CFR part 24.

[9] *The Journal News* is a newspaper of general circulation in Rockland County, New York, the county in which Pearl River is located, as well as in Westchester and Putnam Counties, New York.

Consumer Protection Act, permits the Federal Reserve to authorize a bank holding company that is well-capitalized and well-managed to acquire control of a bank located in a state other than the home state of such bank holding company, notwithstanding contrary state law.[10] For purposes of this provision, WFC's home state is Connecticut, the state in which the deposits of WFC's subsidiary bank was the largest when it became a bank holding company.[11] For purposes of Section 3(d), the Federal Reserve considers a bank proposed to be acquired to be "located" for these purposes "in the states in which the bank is chartered, headquartered or operates a branch."[12] Sterling Bancorp is deemed to be "located" in New York for Section 3(d) purposes.

WFC is both "well-capitalized" and "well-managed," for purposes of Section 3(d), when it acquires Sterling Bancorp and Sterling Bank.[13] Please see the discussion in *the Financial and Managerial Resources and Future Prospects* section below and the exhibits referenced therein. Section 3(d) also imposes requirements relating to: (1) the age of the target bank; (2) concentration limits; and (3) community reinvestment compliance.[14] Each of these conditions is satisfied in the case of the Holdco Merger.

Age of the Acquired Bank. Section 3(d) specifies that the Federal Reserve may not approve a proposed interstate acquisition if the effect would be to permit an out-of-state bank holding company "to acquire a bank in a host State that has not been in existence for the minimum period of time, if any, specified in the statutory law of the host State," subject to a cap of five years.[15] The earliest predecessor financial institution of Sterling Bank was established in 1888 (under the name of Provident Savings, A Federal Savings and Loan Association) and became a commercial bank in connection with a bank acquisition transaction in 2013. Therefore, Sterling Bank has been in existence for much longer than five years, and the Federal Reserve is authorized under section 3(d)(1)(B)(ii) of the BHC Act to approve the Holdco Merger.

Nationwide Concentration Limit. Section 3(d) provides that the Federal Reserve may not approve an interstate acquisition if, upon consummation, the applicant would control more than 10% of the total amount of deposits of insured depository institutions in the United States ("nationwide deposits").[16] Upon consummation of the Proposed Transaction, WFC would hold only approximately 0.31% of nationwide deposits and, thus, would be well under the nationwide deposits concentration limit.

Statewide Concentration Limit. Section 3(d) also provides that the Federal Reserve may not approve an interstate acquisition if:

(1) immediately prior to consummation, the applicant controls any insured depository institution or any branch of an insured depository institution in the home state of

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[10] 12 U.S.C. § 1842(d)(1)(A).
[11] 12 U.S.C. § 1841(o)(4).
[12] *See, e.g.*, *The PNC Financial Services Group, Inc.*, 94 Fed. Res. Bull. C38 (2008); *BBVA USA Bancshares Incorporated*, 93 Fed. Res. Bull. C94 (2007).
[13] *See* 12 U.S.C. §§ 1841(o)(1) and (o)(9), 12 CFR part 217, and 12 CFR § 225.2(s).
[14] 12 U.S.C. §§ 1842(d)(1)-(3).
[15] The Federal Reserve may approve an acquisition of a bank that has been in existence for at least five years without regard to a contrary minimum period of time specified in a host state's law. 12 U.S.C. § 1842(d)(1)(B). New York does not have a target bank age requirement that is applicable to the Proposed Transaction.
[16] 12 U.S.C. § 1842(d)(2)(A).

any bank to be acquired or in any host state in which any such bank maintains a branch; and

(2) the applicant, upon consummation of the acquisition, would control 30% or more of the total amount of deposits in any such state (or such higher percentage as may be permitted by state law, regulation or order).[17]

Sterling Bank's home state is New York and it has branches only in New York. Webster Bank also has branches in New York. Upon consummation, WFC would hold only 1.06% of total insured deposits of banks and thrifts in New York.[18] Section 3(d) further provides that state law caps on the total amount of deposits in the state that a single banking organization may hold must also be complied with, provided that the cap does not discriminate against out-of-state banking organizations.[19] New York does not impose a state deposit cap. Therefore, the Holdco Merger would comply with the statewide concentration limits in Section 3(d).

Community Reinvestment Act Compliance. Section 3(d) of the BHC Act directs the Federal Reserve to consider an applicant's record under the CRA and take into account its record of compliance under state community reinvestment laws.[20] As noted, Webster Bank and Sterling Bank each currently have overall CRA performance ratings of "Outstanding" and "Satisfactory," respectively. Detailed information about the CRA compliance records of Webster Bank and Sterling Bank are in the *Commitment to the CRA* section below.

Conclusion under Section 3(d). The Holdco Merger would satisfy each of the conditions for an interstate acquisition in Section 3(d). Accordingly, the Federal Reserve is permitted to approve the proposal under Section 3(d).

B. Liabilities Concentration

The BHC Act and the Federal Reserve's implementing Regulation XX generally prohibit a financial company, including, among others, a bank holding company and an insured depository institution, from merging or consolidating with, or acquiring control of, another company if the total consolidated liabilities of the acquiring financial company after consummation of the transaction would exceed 10% of the aggregate consolidated liabilities of all financial companies ("Total Liabilities") at the end of the calendar year preceding the transaction.[21] As of December 31, 2020, WFC and Sterling Bancorp had consolidated liabilities of \$29.4 billion and \$25.2 billion, respectively. Assuming national liabilities of \$21.23 trillion, WFC would hold only 0.21% of Total Liabilities, on a pro forma basis, on consummation of the

[17] 12 U.S.C. §§ 1842(d)(2)(B) and (D)(i).

[18] As of June 30, 2020, Webster Bank and Sterling Bank had deposits totaling \$469.1 million and \$23.1 billion, respectively, in New York. On a combined basis, they would hold \$23.6 billion, or 1.06%, of the \$2.183 trillion total amount of deposits of insured banks and thrifts in New York.

[19] *See* 12 U.S.C. § 1842(d)(2)(C).

[20] *See* 12 U.S.C. § 1842(d)(3).

[21] 12 U.S.C. § 1852(b); 12 CFR part 251.

Holdco Merger.[22] Accordingly, the liabilities concentration limit would not preclude Federal Reserve approval of the Holdco Merger.

II. Financial and Managerial Resources and Future Prospects

The Proposed Transaction is financially and strategically compelling and will effectively position the combined company and combined bank for continued success. The combined company and combined bank will be advantaged by combining the financial strengths, managerial experience and risk management resources of WFC and Sterling Bancorp. WFC and Sterling Bancorp, and their respective subsidiary banks, have strong financial, capital and managerial resources and enterprise risk management systems to successfully consummate the Proposed Transaction and integrate their companies and banks to form a thriving combined banking organization. Based on all the information below, it is evident that the future prospects of the combined company and combined bank are highly favorable.

A. Financial, Capital and Liquidity Strength

WFC, Webster Bank, Sterling Bancorp and Sterling Bank are each currently well-capitalized and well exceed the qualifying standards for "well-capitalized" status under the federal banking regulations, and the combined company's and combined bank's capital ratios will continue to well exceed these ratios on consummation of the Proposed Transaction. Both WFC and Sterling Bancorp have prudent capital planning management, which will continue at the combined organization. In addition, the combined company and the combined bank will maintain strong and conservative liquidity positions. More detailed information on the capital ratios and other financial aspects concerning WFC and Sterling Bancorp and their respective subsidiary banks, and on a pro forma and projected basis for the combined company and combined bank, is provided in Confidential Exhibit C and Exhibit 9.

In addition, the Proposed Transaction will combine two high-quality loan portfolios and strong credit risk management systems. WFC and Sterling Bancorp have excellent credit risk management systems, with strong asset quality and credit underwriting administration practices. The combined company and combined bank will maintain a robust and conservative credit risk management program, and will strive to continue the strong asset quality records of the legacy organizations. More detailed information about the pro forma asset quality of the combined bank is provided in Confidential Exhibit C and Exhibit 9.

Combining WFC and Sterling Bancorp will enhance the combined company's revenue mix by diversifying their client base, business lines, geographies and loan concentrations, including by diversifying Sterling Bancorp's exposure to multifamily and commercial real estate sector and WFC's exposure to residential mortgage finance. The combined company will also benefit from the combination of two strong core deposit franchises, including from the HSA Bank division of Webster Bank. Both WFC and Sterling Bancorp bring strong funding profiles with high reliance on core, low-cost deposit funding. In addition, the Proposed Transaction will enhance profitability through cost savings, increased profitability and scale to create a stronger

[22] This percentage is estimated using the method of calculation in the Federal Reserve's Regulation XX, 12 CFR part 251, and the amount of Total Liabilities, as of December 31, 2019, stated by the Federal Reserve. *Announcement of Financial Sector Liabilities*, Federal Reserve System Docket No. OP-1719 (May 27, 2020).

and more sustainable competitive position in the Northeast and nationwide for the combined bank's specialty lending activities, as well as through additional technology investment to continue meeting evolving customer needs and expectations. For additional information, please see the investor presentation attached as an exhibit to the Current Report on Form 8-K, filed by WFC with the SEC on April 19, 2021, a copy of which is provided in Exhibit 7.

B. Managerial Resources

WFC and Sterling Bancorp have highly accomplished boards of directors and senior executive management teams who will provide important leadership to the combined company and combined bank after consummation of the Proposed Transaction. In addition, WFC and Sterling Bancorp have deep benches of extremely qualified executives, with longstanding successful tenures at their respective companies and banks or in the banking industry, and who will continue to serve as valuable managerial resources to the combined company and combined bank.

1. Existing and Pro Forma Directors and Senior Executive Officers

Boards of Directors. As noted, the combined company's and combined bank's Boards of Directors each will be increased to 15 members, eight of whom will be legacy WFC and Webster Bank directors designated by WFC (including Mr. John R. Ciulla, currently the Chairman, President and Chief Executive officer of WFC and Webster Bank) and seven of whom will be legacy Sterling Bancorp and Sterling Bank directors designated by Sterling Bancorp (including Mr. Jack L. Kopnisky, currently, the President and Chief Executive Officer of Sterling Bancorp and Chief Executive Officer of Sterling Bank).

Upon consummation of the Proposed Transaction, Mr. Kopnisky will serve as Executive Chairman of the Boards of Directors of the combined company and combined bank for two years, and Mr. Ciulla will serve as President and Chief Executive Officer of the combined company and combined bank, as well as a member of their Boards of Directors. Upon the two-year anniversary of the Proposed Transaction closing, Mr. Kopnisky will cease to serve as the Executive Chairman and director of the Boards of Directors, and he will become a consultant to WFC and Webster Bank for one year thereafter. On that second anniversary date, or earlier if Mr. Kopnisky ceases to serve as Executive Chairman before then, Mr. Ciulla will succeed Mr. Kopnisky as Executive Chairman of the combined company's and combined bank's Boards of Directors.

The current lead independent director of WFC/Webster Bank, William L. Atwell, or another legacy independent member of the Boards of Directors of WFC/Webster Bank, will serve as the lead independent director of the combined company's and combined bank's Boards of Directors. When Mr. Ciulla succeeds Mr. Kopnisky as Executive Chairman of the combined company's and combined bank's Boards of Directors, Mr. Atwell (or such other continuing legacy WFC director serving at the time) will cease to be the lead independent director of the combined company's and combined bank's Boards of Directors and will be succeeded by a continuing legacy Sterling Bancorp/Sterling Bank director.

Until the date of the 2024 Annual Meeting, the filling of any board member vacancies resulting from the cessation of service of any legacy Sterling Bancorp director must be approved by a majority of the continuing legacy Sterling Bancorp directors (or their successors). Similarly, during that same time period, the filling of any board vacancies resulting from the cessation of service of any legacy WFC director must be approved by a majority of the continuing legacy WFC directors (or their successors).

These governance arrangements with respect to WFC as the combined company must be maintained until the 2024 Annual Meeting, unless modified by a 75% vote of the full WFC Board of Directors. Until that time, the removal of Mr. Kopnisky or Mr. Ciulla from their positions noted above would similarly require a 75% vote of the WFC Board of Directors. These governance arrangements will be reflected in amendments to WFC's bylaws to be effective on closing of the Holdco Merger. The form of bylaw amendment is Exhibit B to the Holdco Merger Agreement.

WFC and Sterling Bancorp are in the process of determining which of their respective directors will serve as members of the combined company's and combined bank's Boards of Directors in addition to those noted above. We will supplement the Application with the pro forma directors when such information becomes available. These directors are expected to be identified within approximately 90 days after the Application is submitted.

The current directors of WFC and Webster Bank are set forth below:

Name	WFC	Webster Bank	Principal Occupation
John R. Ciulla	Chairman & Director	Chairman & Director	President & Chief Executive Officer, WFC and Webster Bank
William L. Atwell	Lead Independent Director	Lead Independent Director	Retired Founder and Managing Director of Atwell Partners, LLC
Elizabeth E. Flynn	Director	Director	Retired Vice Chairman of Marsh, LLC
E. Carol Hayles	Director	Director	Former Executive Vice President & Chief Financial Officer of CIT Group Inc.
Linda H. Ianieri	Director	Director	Retired Chief Auditor for Banking and Capital Markets Clients of PricewaterhouseCoopers LLP
Laurence C. Morse	Director	Director	Managing Partner of Fairview Capital Partners, Inc.
Karen R. Osar	Director	Director	Retired Executive Vice President & Chief Financial Officer of Chemtura Corporation
Mark Pettie	Director	Director	President of Blackthorne Associates, LLC

Name	WFC	Webster Bank	Principal Occupation
Lauren C. States	Director	Director	Retired Vice President, Strategy and Transformation for IBM's Software Group

The current directors of Sterling and Sterling Bank are set forth below:

Name	Sterling Bancorp	Sterling Bank	Principal Occupation
Richard O'Toole	Chairman & Director	Chairman & Director	Executive Vice President of The Related Companies
Jack L. Kopnisky	Director	Director	President & Chief Executive Officer of Sterling Bancorp and Chief Executive Officer of Sterling Bank
John P. Cahill	Director	Director	Chancellor to the Archdiocese of New York, Co-Founder & Principal of the Pataki-Cahill Group LLC
Navy E. Djonovic	Director	Director	Partner at Maier Markey & Justic LLP
Fernando Ferrer	Director	Director	Former Co-Chairman of Mercury Public Affairs, LLC
Robert Giambrone	Director	Director	Managing Member at Pioneer Realty Holdings, LLC
Mona Aboelnaga Kanaan	Director	Director	Founder & Managing Partner of K6 Investments LLC
James J. Landy	Director	Director	Former Chairman & Senior Executive Officer of legacy Hudson Valley Holding Corp. and Hudson Valley Bank N.A.
Maureen Mitchell	Director	Director	Senior Advisor at The Boston Consulting Group
Patricia M. Nazemetz	Director	Director	Principal of NAZ DEC LLC
Ralph F. Palleschi	Director	Director	President, Chief Operating Officer & Director of First Long Island Investors, LLC and FLI Investors, LLC
William E. Whiston	Director	Director	Chief Financial Officer of the Archdiocese of New York

***Senior Executive Officers*.** As noted above, Mr. Ciulla, the current Chairman, President and Chief Executive Officer of WFC and Webster Bank, will serve as the President and Chief

Executive Officer of the combined company and combined bank. As further noted, the leadership team of the combined company and combined bank will include Mr. Glenn I. MacInnes (currently the Chief Financial Officer of WFC and Webster Bank) serving as Chief Financial Officer, and Mr. Luis Massiani (currently the Chief Operating Officer of Sterling Bancorp and Sterling Bank and President of Sterling Bank) serving as Chief Operating Officer and .

WFC and Sterling Bancorp are in the process of determining which of their senior executive leadership members will serve as senior executive officers of the combined company and combined bank on consummation of the Proposed Transaction. We will supplement the Application with the pro forma senior executive officers when such information becomes available. The selection of the additional senior executive officers is expected within approximately 15 days after the Application is filed.

The current senior executive leadership of WFC and Webster Bank are set forth below:

John R. Ciulla	Chairman, President and Chief Executive Officer
Daniel H. Bley	Executive Vice President, Chief Risk Officer
Bernard M. Garrigues	Executive Vice President, Chief Human Resources Officer
Karen A. Higgins-Carter	Executive Vice President, Chief Information Officer
Glenn I. MacInnes	Executive Vice President, Chief Financial Officer
Christopher J. Motl	Executive Vice President, Head of Commercial Banking
Jonathan W. Roberts	Executive Vice President, Head of Retail Banking and Consumer Lending
Brian R. Runkle	Executive Vice President, Head of Bank Operations
Charles L. Wilkins	Executive Vice President & Head of HSA Bank, a division of Webster Bank
Harriet Munrett Wolfe, Esq.	Executive Vice President, General Counsel and Corporate Secretary
Elzbieta Cieslik	Executive Vice President, Chief Audit Officer (Webster Bank)

The current senior executive leadership of Sterling Bancorp & Sterling Bank are set forth below:

Jack L. Kopnisky	President & Chief Executive Officer of Sterling Bancorp and Chief Executive Officer of Sterling Bank
Luis Massiani	Senior Executive Vice President & Chief Operating Officer of Sterling Bancorp and Sterling Bank and President of Sterling Bank

Beatrice Ordonez	Executive Vice President & Chief Financial Officer
Michael E. Finn	Senior Executive Vice President & Chief Risk Officer
Rodney C. Whitwell	Senior Executive Vice President & Chief Administrative Officer
Thomas X. Geisel	Senior Executive Vice President & Corporate Banking
James P. Blose, Esq.	Executive Vice President & General Counsel
Javier L. Evans	Executive Vice President & Chief Business Operations and Services Officer
Marissa Weidner	Chief Human Resources Officer
Robert Rowe	Chief Credit Officer

2. <u>Employees</u>

WFC and Sterling Bancorp are dedicated to ensuring a successful transition for the employees of both their organizations. Both WFC and Sterling Bancorp will take care to ensure that the combined company and combined bank will have appropriate leadership and staffing to continue providing a high level of service to all customers, operating in a safe and sound manner and maintaining the effectiveness of their business activities and operations. In connection with the integration planning process discussed below, WFC and Sterling Bancorp leadership teams are currently evaluating pro forma management and staffing needs and will provide additional information when available.

WFC and Sterling Bancorp are carefully evaluating potential overlapping areas and developing a plan to mitigate any related job losses or other consequences to the legacy employees of either organization. The leadership of WFC and Sterling Bancorp will partner closely with their respective Corporate Communications groups to communicate frequently and transparently to their employees regarding the status of the Proposed Transaction to assist in easing anxiety and providing useful updates, including by, among other methods: (1) frequent and targeted employee communications using multiple mediums; (2) town hall meetings led by the Chief Executive Officers of the respective companies and the integration planning team leaders; and (3) functional and line of business meetings led by members of the companies' operational management committees. The focus of the companies will include identification of top talent (including employees deemed to be critical to the success of the transaction and important to the combined organization's future), succession plans and retention risk evaluation.

Each company plans to implement a retention program with financial incentives to maintain appropriate management and staffing levels throughout the integration process. These retention programs are intended to retain key leaders and critical contributors at WFC, Sterling Bancorp and the combined company and combined bank to ensure an effective integration process and the success of the combined organization. Certain of these retention programs are in addition to the respective company's severance programs, while others are contingent upon continued employment with WFC, Sterling Bancorp or the combined company and combined bank. For additional information on measures to be taken to address retention risk and employee matters, please see Confidential Exhibit D.

At the same time, the combination of WFC and Sterling Bancorp and their respective subsidiary banks will create a stronger banking organization than if they remained independent. The expanded scale and financial strength of the combined company and combined bank will afford employees of both organizations new growth and development opportunities. WFC and Sterling Bancorp expect that their legacy employees will have opportunities to apply for new employment opportunities within the combined organization. Any employees to be displaced will receive priority consideration for internal job opportunities for which they are qualified, and displacements will be minimized through attrition.

The combined company and combined bank will take care to minimize hardships that may arise from the Proposed Transaction. For example, a market relocation package will be offered to employees who may be asked by senior management to relocate as a result of the Proposed Transaction. In addition, a market severance package will be provided for any impacted employees, and outplacement services will be offered to assist in external job searches.

More information about the employee-related governance practices at WFC are provided in the *Management of Environmental, Social Responsibility and Governance Issues* section below.

3. Integration Planning and Experience

WFC and Sterling Bancorp leadership will ensure that the integration of the two companies will be well-planned and effectively managed and implemented. The management teams of both companies and banks are highly experienced in successfully completing mergers and acquisitions and the subsequent integrations of the acquired banking and nonbanking organizations. WFC's and Sterling Bancorp's management are working together in planning the integration of the respective organizations to manage successfully the integration risk, including during the interim period between consummation of the Proposed Transaction and systems conversion (the "Interim Period"), as well as the change and impact risk on employees of the two organizations. Careful planning and robust governance and risk management controls will be in place throughout the integration planning and execution process.

WFC and Sterling Bancorp are developing a detailed integration plan for the Proposed Transaction, and they will carefully plan and control the integration process to ensure a successful integration of business operations, risk management and systems conversions. Both WFC and Sterling Bancorp are led by experienced executives and project managers who will apply prudent change management practices to the integration planning and implementation.

To assist in the integration planning process, WFC and Sterling Bancorp conducted extensive initial due diligence. Information on the due diligence process by WFC and Sterling Bancorp, as well as WFC's due diligence summary, are provided in Confidential Exhibit E. The integration process will evaluate and select best practices at each firm for governance, controls, change management, systems, risk measurement and risk management to ensure effective risk management and maintain robust governance and risk management systems at the combined company and combined bank.

An enterprise integration team composed of management and personnel across all business lines, risk management functions and support units will be appointed. This team will include a balanced mix of officers and employees from each of WFC and Sterling Bancorp, who are allocated among the following levels of responsibility:

(1) Executive Integration Steering Committee – This committee will deliver the integration vision and oversee integration execution, as well as make key top-level decisions based on recommendations of the workstream teams. Committee members will meet every two weeks.

(2) Integration Management Office (the "IMO") – The IMO will: (1) track week-to-week progress on milestones; (2) support workstreams by making decisions; (3) resolve or escalate roadblocks, as needed; (4) monitor and help mitigate risks to the implementation plans; and (5) oversee inclusion of initiatives into integration plans to meet or exceed targets. Weekly meetings are planned for the IMO.

(3) Workstreams and Business Teams – As the leadership positions are determined for various areas of the combined organization, the leaders will work with their respective business teams to plan for the combined bank's operations in each business area. The workstreams and business teams will execute on all initiatives to achieve the integration principles – value creation, customer first, conversion and continuity, and risk mitigation – and raise issues for escalation or resolution, as needed.

A copy of WFC's and Sterling Bancorp's integration planning framework and high-level timeline, including for systems conversion, is provided in Confidential Exhibit F. The integration timeline will be updated as integration planning continues. Senior executive management of both WFC and Sterling Bancorp will ensure that the integration and conversions are well planned, properly managed and effectively executed. WFC and Sterling Bancorp will provide updates on the integration planning process and status at periodic meetings with FRB supervisory staff.

As noted above, WFC's management and personnel are experienced in successfully integrating strategic acquisitions. WFC has pursued a business strategy that relies primarily on organic growth, supplemented by the acquisition of select business activities. As it has acquired other select entities and business operations, WFC has demonstrated a strong track record of successfully integrating the acquired operations with and into Webster Bank. For example, WFC has acquired and integrated the following into its operations:

(1) The entire HSA deposits portfolio from JPMorgan Chase, N.A., which included $1.4 billion in deposit liabilities and associated contractual relationships, in 2015, nearly doubling the HSA Bank division's HSA business in a single transaction.

(2) 16 branches (banking centers) in the Boston metropolitan market that were being closed and vacated by CitiBank, N.A., which represented a concerted and efficient entry into that market.

Sterling Bancorp's management and personnel are highly experienced in successfully integrating strategic banking and nonbanking acquisitions. For example, Sterling Bancorp has supplemented its organic growth through the acquisition of select financial institutions and nonbanking companies. As it has acquired other select banking institutions, Sterling Bancorp has demonstrated a strong track record of successfully integrating the operations acquired from other banking organizations with and into Sterling Bank. Notably, within the last 10 years, Sterling Bancorp and Sterling Bank have acquired and integrated into its operations the following banking organizations:

(1) The predecessor Provident acquired Gotham Bank of New York in 2012.

(2) The predecessor Provident acquired Sterling Bancorp and Sterling Bank in 2013. (Provident Bank converted to a national bank, Provident became a bank holding company, and the company and bank names were changed.)

(3) Sterling Bancorp acquired Hudson Valley Holding Corp. and Sterling Bank acquired Hudson Valley Bank, National Association in 2015, which included approximately $3.1 billion in assets.

(4) Sterling Bank acquired NewStar Business Credit, LLC in 2016, which included approximately $330 million in assets.

(5) Sterling Bancorp acquired Astoria Financial Corporation and Sterling Bank acquired Astoria Bank in 2017, which included approximately $14.6 billion in assets, nearly doubling the size of the organization.

(6) Sterling Bank acquired Advantage Funding Management Co., Inc. in 2018, which included approximately $457 million in assets.

(7) Sterling Bank acquired the asset-based and equipment finance lending businesses of Woodforest National Bank in 2019, which included approximately $504 million in assets.

(8) Sterling Bank acquired the middle-market commercial equipment finance loans and leases from Santander Bank, N.A. in 2019, which included approximately $843 million in assets.

4. Enterprise Risk Management

WFC and Sterling Bancorp are committed to maintaining a comprehensive and effective enterprise risk management ("ERM") framework for the combined company and combined bank that is commensurate with the operations and risks associated with the combined organization. Both WFC and Sterling Bancorp currently have robust ERM frameworks, including coverage of strategic, credit, financial, operational, compliance, legal and reputational risks. The ERM frameworks at WFC and Sterling Bancorp enable the aggregation of risk across the enterprise of each company and helps ensure that the respective company has the tools, programs and processes in place to support informed decision-making by anticipating risks and maintaining the company's risk profile consistent with its risk appetite.

Each of them has prioritized ERM and has implemented an effective risk management culture in their respective organizations. Both WFC and Sterling Bancorp have dedicated substantial resources to enhancing their respective ERM programs (the "ERM Programs") to address emerging risk challenges and meet supervisory expectations.

Both WFC and Sterling Bancorp employ ERM Programs with comprehensive oversight by their respective Boards of Directors (or their board committees) and executive management committee oversight. For example, both WFC and Sterling Bancorp have numerous board-level committees, such as WFC's Risk Committee and Sterling Bancorp's Enterprise Risk Committee, which oversee and approve the enterprise-wide risk governance and oversight framework, including related board-level policies. WFC's top management-level risk committee is the Enterprise Risk Management Committee (the "ERMC"), which regularly reports its findings to the Risk Committee of the Board of Directors. Subcommittees of the ERMC include: Credit Risk, Asset-Liability, Information, Regulatory, Operating and Litigation Risk. Sterling Bancorp's Enterprise Risk Committee has established a Credit Risk Subcommittee to oversee Sterling Bank's lending activities and the management of appropriate risk within Sterling Bank's loan portfolio.

The ERM Programs at WFC and Sterling Bancorp include: an integrated risk appetite framework, board-approved risk appetite statements and risk tolerance metrics; comprehensive risk identification; regularly conducted risk assessments for each risk category; a three-lines-of-defense model; internal controls, risk monitoring and validations; and risk aggregation, escalation and reporting systems and processes. Please see Exhibit 10 and Exhibit 11 for overviews of the ERM Programs of WFC and Sterling Bancorp, respectively.

The ERM framework of WFC will be adjusted as applicable to capture the totality of the organization and applied to the combined company and combined bank on consummation of the Proposed Transaction. The combined organization will also leverage the best risk management practices at Sterling Bancorp. The combined company and combined bank will have a robust risk management and governance framework that effectively aligns risk culture and strategic execution with the established risk appetite. The Boards of Directors of the combined company and combined bank will exercise comprehensive risk management oversight and guidance, and serve as a source of strength to support and ensure appropriate resources are dedicated to risk management in all risk areas.

On consummation of the Proposed Transaction, the combined company will have an even more balanced risk profile than each company operating individually due to the increased diversification across customers, business lines and geographies. WFC and Sterling Bancorp each have conservative credit cultures, and the combined company and combined bank will maintain strong credit quality and rigorous credit underwriting standards. The combined company and combined bank will establish an integrated risk appetite framework and tolerance metrics that reinforce a strong credit culture and ensure a credit portfolio that will perform well through different economic cycles.

During the Interim Period, Sterling Bancorp's existing risk management systems, processes and controls will largely remain in place, with the output integrated into WFC's ERM framework. This will provide the senior management and the Boards of Directors of the combined company and combined bank an enterprise-wide view of the combined organization.

5. Compliance Risk Management

WFC and Sterling Bancorp each have implemented a robust compliance risk management program ("Compliance Program") as part of their ERM frameworks, which covers their respective subsidiary banks. Their Compliance Programs are designed to fulfill the letter and spirit of all regulatory requirements and related guidance. The Boards of Directors and executive leadership teams of WFC and Sterling Bancorp are fully committed to maintaining an effective Compliance Program at the combined company and the combined bank. They will set a strong compliance culture tone at the top, beginning with the Board of Directors and the senior executive leadership and permeating throughout the organization; establish accountability for compliance enterprise-wide; and ensure that the Compliance Program has appropriate resources (including funding, staffing and systems) and stature within the combined company and combined bank to protect consumers, other customers and the company's reputation.

Each company has implemented a Compliance Program that is designed to maintain a sound and comprehensive regulatory compliance management system that meets the needs and complexity of their respective organizations. Their respective Compliance Programs include risk assessments, monitoring, regulatory change management, complaint management, issues management, review of new or revised products and services, review of advertising and marketing initiatives, as well as oversight of training activities. They each use a three-lines-of-defense model, with the lines of business serving as the first line of defense ("1LOD"), an independent corporate compliance function serving as the second line of defense ("2LOD"), and Internal Audit serving as the third line of defense ("3LOD").

WFC and Sterling Bancorp each have centralized compliance issues management processes in place to capture, track and report on all outstanding compliance issues, including resolution of issues. Both organizations operate management-level Compliance Committees to oversee the compliance function, with member representatives across the respective organization to ensure that existing and emerging compliance issues are thoroughly discussed and strategies are proposed and implemented to reduce compliance risk. Each company's compliance team tracks key risk and key performance indicators to identify and manage compliance risks and trends within the organization's risk tolerance. In addition, each company has implemented a role-based compliance-training program for employees to supplement the assignment of regulation-specific courses.

On consummation of the Proposed Transaction, the compliance risk function of the combined company and combined bank will operate under a single Chief Compliance Officer who will report to the Chief Risk Officer. The Compliance Department team will provide the 2LOD oversight of compliance with banking laws and regulations, including direct responsibility for the Compliance Program, policy, enterprise compliance risk assessments, regulatory change management, and monitoring and testing. As the 1LOD, business units will remain responsible for operating within bank policies, implementing and managing controls, risk assessment and escalation of risk issues.

The Chief Compliance Officer will chair a management-level Regulatory Oversight Committee that includes senior members of key functions across the enterprise. Findings and activities of the Regulatory Oversight Committee will be communicated to the management-level Enterprise Risk Management Committee and the board-level Risk Committee on a regular basis.

Within the Compliance Department, there will be a team focused on independent testing and teams focused on monitoring and advisory services, including managing regulatory changes, assessing compliance risks, managing customer complaint activity and supporting key business initiatives, including new or changed products and services. During the integration process, the information technology systems supporting compliance risk management at the organizations and other systems on the market will undergo evaluation and specific system selections will be made. Compliance controls will be adopted to reflect any system changes.

Staffing levels for the Compliance Department will be finalized prior to the Proposed Transaction closing. WFC and Sterling Bancorp will establish staffing levels to ensure effective execution of a robust compliance risk management program, including effective risk-based testing, monitoring and advice on regulatory changes, compliant management, and new or changed product/service compliance.

One Compliance Program will be in place upon consummation of the Proposed Transaction. The Chief Compliance Officer for the combined company and combined bank will administer the Compliance Program and review pertinent compliance matters with the combined organization's management-level risk committees, board-level Risk Committee and executive management. Certain compliance processes and supporting systems at the legacy companies may continue to operate until one process or system is fully implemented throughout the new organization.

For more information on the Compliance Programs at WFC and Sterling Bancorp, please see <u>Exhibit 12</u> and <u>Exhibit 13</u>, respectively.

<u>Consumer Compliance</u>. In the Consumer Compliance risk management area, both Webster Bank and Sterling Bank have established risk-based Consumer Compliance Programs that cover fair lending and fair and responsible banking (collectively, "<u>Fair Banking</u>"), as well as other Consumer Compliance areas, based on the three-lines-of-defense model. Both banks: complete Consumer Compliance risk assessments to ensure that sufficient resources are allocated and all potential risks are understood; monitor for Fair Banking complaints and complaints raising other Consumer Compliance issues; review loan applications and underwriting processes, as well as pricing policies; and arrange for regression analyses on specific business lines. They both also track and analyze key risk and key performance indicators to identify and manage compliance risks and trends.

Both Webster Bank and Sterling Bank have implemented comprehensive regulatory Consumer Compliance training programs. Documented records of successful completion by employees of assigned training are maintained at both banks. Management and members of the Boards of Directors, as well as employees, receive Consumer Compliance training. Training is provided through computer-based and instructor-led training, as well as third-party teleconferences and third-party seminars. The respective management-level consumer compliance committees and board-level Risk Committees at each organization receive reports on Consumer Compliance issues and training programs, including training completion rates. Incomplete training requirements are taken into account in employee annual performance reviews.

In addition, both Webster Bank and Sterling Bank have formal complaint management programs. Both banking organizations are committed to responding promptly to customer complaints in a timely and thoughtful manner and use their programs to gain valuable insight on how to improve products and services, policies and procedures, training, etc. Complaints at both banks are managed by using automated systems, which centralizes the reporting, logging and tracking of complaints, responses and resolutions. Complaint management teams at both banks evaluate, analyze and document the root cause of each complaint received by their respective banks, as well as complaint trends. The Chief Risk Officer and/or the Chief Compliance Officer at each of the banks reports complaint metrics and analysis to the relevant management-level committees and board-level Risk Committees.

The combined company and combined bank will maintain a Consumer Compliance Program that incorporates all the key elements, which are already included in Webster Bank's and Sterling Bank's existing Consumer Compliance Programs: risk assessment, data analyses, employee training, independent testing, and issue escalation, tracking and reporting. The best practices at the respective organizations will be combined into a robust Fair Banking program, with sufficient staffing and management oversight for effective Consumer Compliance risk management.

For more information on the Consumer Compliance Programs at WFC and Sterling Bancorp, please see Exhibits 14 and 13, respectively.

6. Management of COVID-19 Pandemic Impacts

Webster Bank and Sterling Bank have each actively worked to meet the pressing needs of employees, customers and communities affected by the COVID-19 pandemic. To safeguard the health and safety of both employees and customers, both banks quickly implemented remote-work strategies for those employees whose jobs could be performed remotely. For example, Webster Bank was able to transition 75% of its employees to remote working within a short period of time. Currently, more than 60% of Webster Bank staff and more than 65% of Sterling Bank staff are working remotely.

In addition, a number of safeguards were implemented for those employees of Webster Bank and Sterling Bank whose jobs needed to be on-site at branches, operation centers or office locations, including: social distancing; mask wearing and other personal protection; additional cleaning and sanitizing; regular COVID-19 testing and quarantine protocols; and temporarily limiting branch activities primarily to drive-up or walk-up access. The respective banks' employees were asked not to work whenever they experienced signs or symptoms of a possible COVID-19 infection, and were provided compensation during such absences.

In addition, both Webster Bank and Sterling Bank offered other assistance and benefits to help their respective employees deal with the COVID-19 pandemic hardships. For example, Webster Bank offered its employees, among other things, the following: flexible work hours, interest-free hardship loans, additional paid time off days, flexible work schedules in support of childcare and eldercare needs, and pay for employees in circumstances where they were unable to work due to pandemic-related reasons. Sterling Bank provided, among other things: extra compensation to its critical front-line employees who worked at locations rather than remotely, for a period of time; five additional paid time off days to all its employees; enhanced child- and elder-care benefits; and accommodation to employee schedules for childcare reasons.

Both Webster Bank and Sterling Bank provided accommodations to customers adversely impacted by the COVID-19 pandemic. For example, Webster Bank and Sterling Bank implemented mortgage forbearance, loan modification, fee waiver and payment deferral programs. Webster Bank's Loss Mitigation Program successfully completed more than 3,000 workout plans (deferments, forbearances and/or extensions) to address COVID-19 pandemic hardships.

In addition, Webster Bank and Sterling Bank helped thousands of small business customers and nonprofit organizations apply for and obtain funding through the federal Paycheck Protection Program (the "PPP") administered by the Small Business Administration (the "SBA"). Since the inception of the PPP, Webster Bank and Sterling Bank have funded approximately \$2.04 billion and \$649 million in PPP loans, respectively. The average PPP loan funded by Webster Bank was \$109,615, but 79.2% of its PPP loans were for amounts under \$100,000. Approximately 74% of Sterling Bank's PPP loans were for amounts under \$100,000.

Both banks had to quickly pivot and implement new processes and refine technology solutions to address the high demand for PPP loans as well as the rules, guidance and process changes from the SBA for the PPP Program. More than 400 Webster Bank employees and consultants and 150 Sterling Bank employees have been involved in effectively processing PPP applications, loans and forgiveness request filings for customers during the PPP Program's existence. More information about the PPP lending activities of Webster Bank and Sterling Bank are provided in the *Commitment to the CRA* section below.

Webster Bank and Sterling Bank also participated in the Main Street Lending Program, which is administered by the Boston Reserve Bank and designed to support small- and medium-sized businesses negatively impacted by the COVID-19 pandemic. Under the Main Street Lending Program, Webster Bank provided four loans with a total commitment of \$42 million to help maintain business operation and payroll of such businesses and Sterling Bank provided four loans with an aggregate commitment of \$124.0 million for the same purposes.

In addition, both Webster Bank and Sterling Bank increased their corporate giving to nonprofit organizations and other community organizations to address the urgent needs in their communities resulting from the COVID-19 pandemic, including personal protection and medical supplies, telehealth and delivery, as well as food and other basic needs. More information about the community support provided by Webster Bank and Sterling Bank is provided in the *Commitment to the CRA* section below.

Both WFC and Sterling Bancorp employed the key elements of their respective ERM frameworks to identify, assess, monitor and report on the risk impacts that have arisen from the COVID-19 pandemic and to ensure that appropriate mitigation and management actions were deployed. Each company has aggregated and reported the COVID-19 pandemic risks through their respective ERM reports, including for credit risk, market risk, liquidity risk and operational risk. For example, all risk managers at WFC are identifying, monitoring and considering pandemic-related impacts in their risk assessments of individual risks under WFC's ERM framework and regularly reporting their findings through their respective management-level risk committees, the ERMC and the Risk Committee of the Board of Directors.

Sterling Bancorp created a Crisis Management Team in early 2020, led by the Chief Risk Officer, to ensure that all key COVID-19 related risks were promptly identified and managed. The Sterling Enterprise Risk function also conducted an enterprise wide COVID-19 risk assessment to evaluate critical risks and related risk management action. In addition, Sterling Bancorp conducted supplemental stress testing throughout 2020 to ensure capital buffers and capital management actions were appropriate during rapidly changing economic conditions. Throughout the pandemic, Sterling Bancorp also engaged in supplemental internal audit control reviews, such as with PPP, and additional compliance testing to ensure Sterling Bank maintained appropriate controls and regulatory compliance with the myriad of regulatory changes initiated in response to COVID-19. Additional credit and loan review was also conducted to monitor compliance with COVID-19 related credit management guidance and expectations.

While the COVID-19 pandemic continues and signs of economic recovery emerge, WFC and Sterling Bancorp will continue effectively monitoring and managing their respective credit, market, liquidity and operational risks. As part of such effort, their respective subsidiary banks will continually monitor their consumer and commercial credit portfolios and make every effort to ensure that their respective Allowance for Credit Losses ("ACL") are adequate. As of March 31, 2021, Webster Bank's ACL was $328 million (or 1.54% of total loans) and Sterling Bank's ACL was $323.2 million (or 1.53% of total loans).

WFC and Sterling Bancorp do not expect the Proposed Transaction to impact the combined bank's risk profile as it relates to COVID-19 pandemic risks. Depending on the status of the pandemic at the Proposed Transaction closing, the additional specialized oversight to ensure employee, customer and vendor safety, as well as the combined company's financial safety, will continue.

7. Management of Environmental, Social Responsibility and Governance Issues

The environmental, social responsibility and governance ("ESG") practices at WFC are integral to the way it does business. Sterling Bancorp is similarly sensitive to ensuring that its practices promote ESG. Upon consummation of the Proposed Transaction, the combined company and combined bank will continue WFC's ESG priorities while building in the best practices and ongoing ESG efforts of Sterling Bancorp. For a further overview of WFC's ESG practices, please see the WFC *Environmental, Social and Governance Report 2020*, which is provided in Exhibit 15.

WFC and Webster Bank

Environmental Sustainability. WFC has demonstrated a commitment to sustainability by increasing commercial lending for renewable and clean energy in the markets served by Webster Bank. In 2020, Webster Bank provided or maintained \$145.7 million in loans for renewable energy or energy-efficient projects. Of that total: (1) more than \$17.8 million funded renewable energy projects (solar and wind); (2) nearly \$106.9 million funded clean energy upgrades, of which \$41.5 million was associated with funded LEED (Leadership in Energy and Environmental Design) construction for a mixed-income, transit-oriented development; and (3) \$20.9 million was funded for loans that included project plans with environmental remediation.

Webster Bank also participated in the 2020 Connecticut Department of Revenue Services' Neighborhood Assistance Tax Credit Program, which provided the bank a state tax credit for making cash investments to qualified community programs sponsored by nonprofit organizations or municipal agencies. Under this program, Webster Bank focused on supporting energy conservation projects that promote energy efficiencies for properties occupied by low-income individuals or families.

WFC's ongoing cloud migration initiative is having a positive environmental impact while reducing costs. In 2020, Webster established an infrastructure migration plan for the elimination of one of its two existing data centers. By January 2022, the cloud initiative will have reduced the physical space occupied by its data centers, with an estimated 75% reduction in power consumption. Upon completion, WFC's cloud initiative will have significantly reduced WFC's overall carbon footprint while also yielding facility and infrastructure cost reductions.

In 2020, the rapid shift to remote working to address COVID-19 pandemic concerns was assisted by moving a significant number of processes to electronic format. For example, the Webster Bank operations team ultimately transitioned to a fully electronic process for approximately 80% of Webster Bank's more than 11,000 PPP loans. As a result of the pandemic, the shift of approximately 75% of WFC employees working remotely and no longer commuting to Webster offices resulted in an estimated reduction of 11,909 metric tons of CO_2 emissions, and emission reductions are expected to continue as more employees perform all or a portion of their jobs remotely. In addition, Webster Bank's HSA Bank division promotion of a paperless conversion resulted in a 15% reduction in paper usage.

Further reductions in paper usage is promoted through the full suite of digital banking solutions that Webster Bank provides to retail and commercial customers. Over 50% of Webster Bank's consumer and small business customers are digitally active, and the majority of its commercial client base uses the bank's online treasury platform. Webster Bank's Community Banking and HSA Bank divisions continue to deliver more digital banking solutions to meet customers' preferences for self-service transactions using online, ATM and/or mobile app channels.

Social Responsibility. Webster Bank's commitment to, and prioritization of, serving the needs of LMI and other underserved individuals and communities in its footprint is demonstrated by the second consecutive overall "Outstanding" CRA performance rating it received from the OCC in 2020. More information about the CRA performance of Webster Bank is provided in the *Commitment to the CRA* section below.

In addressing the urgent needs of customers and communities resulting from the COVID-19 pandemic, WFC increased its philanthropy and CRA activities, including expanding its outreach to support distribution of medical supplies, food delivery and telehealth services. WFC employees pivoted their volunteer community development service efforts to virtual programs, including online financial literacy training and mentoring.

In response to the COVID-19 pandemic, Webster Bank assisted customers with mortgage payment deferrals and offered deferrals for small business loans. At the height of the pandemic, Webster Bank had provided more than $2.0 billion in pandemic-related deferrals. As noted, Webster Bank also funded more than 18,000 PPP loans totaling $2.0 billion. Other beneficial actions by Webster Bank to relieve pandemic-related hardship included providing one million meals in its communities and making financial contributions to nonprofit and community organizations for pandemic relief efforts in Webster Bank's footprint. Webster Bank distributed more than $5 million to nonprofit organizations across Webster Bank's footprint, including donations through philanthropy, contributions through CRA activities, and sponsorship of organizations that strengthen the well-being of the bank's communities by facilitating economic development.

Webster Bank remains committed to nonprofit partners who provide direct services to vulnerable and LMI families in the areas of health services, housing, childcare and basic needs, particularly food scarcity. During 2020, Webster Bank contributed nearly $2 million to nonprofit and community organizations in its footprint, including two cycles of targeted donations for urgent basic needs and disaster response, equity and economic inclusion and virtual learning and mentoring.

During 2020, Webster Bank continued its funding and volunteer service dedicated to financial literacy and mentoring, including financial assistance and support to nonprofit organizations moving from in-person to virtual learning during the pandemic. As evidenced by the estimated 100,000 hours volunteered by Webster Bank employees annually, community service is a core Webster Bank value. Under Webster Bank's Volunteer Recognition Grant Program, employees apply for micro-grants, ranging from $100 to $250 to benefit qualified nonprofit organizations where they volunteer. Through this program, Webster Bank has supported more than 200 organizations. In addition, Webster Bank's nationally recognized mentoring program includes more than 100 employees serving as mentors in schools.

In 2020, Webster Bank expanded partnerships and funding focused on equity and economic inclusion, including funding for women-owned and minority-owned small businesses. Webster Bank also donated $100,000 to address social injustice and racial equity efforts. In addition, Webster Bank has increased its support of CDFIs with a focus on promoting social, racial and economic equality, especially in lower-income minority-population communities. For example, Webster Bank made or maintained commitments for approximately $17.5 million in loans and equity investments for Connecticut and Southern New England regional CDFIs to provide capital to: developers of affordable housing; women- and minority-owned small businesses in LMI census tracts; and charter schools serving children from LMI households in Rhode Island.

To support the needs of its diverse customers and communities, Webster Bank offers a broad selection of products and services, including banking products with no or low monthly maintenance fees, a deposit product for customers seeking a banking relationship after past adverse experiences, and affordable home mortgage products. Multilingual bank personnel are available to assist customers at many banking center locations by telephone through its Customer Care Center.

The Webster Bank Loss Mitigation Program, which has operated since 2008, has successfully modified mortgages and helped keep borrowers in their homes. As noted, the Loss Mitigation Program successfully completed more than 3,000 retention workout plans to help address COVID-19 pandemic hardship.

Governance. Through its approach to corporate governance, WFC strives to model the highest personal and professional ethics and integrity, including through its commitment to maintain a culture that enables employees to be their best in serving customers and communities while achieving business success. This commitment has resulted in Webster Bank receiving consistent "top workplace" ratings across its footprint. WFC's notable achievement in the areas of corporate reputation and citizenship earned it the distinction of receiving an "excellent" score for corporate governance and being named the second most reputable bank in the country.

WFC's focus on DE&I is a natural outgrowth of its "Webster Way" values: acting with responsibility, respect, ethical behavior, citizenship and teamwork. WFC's DE&I Program will continue at the combined company and combined bank. In 2020, WFC updated its diversity and inclusion efforts to include equity. To enhance its commitment to increase diversity, equity and inclusion, WFC hired a new DE&I Officer in 2020 and, as an organization, expressed the importance of social equity and justice, creating education and awareness programs to engage in constructive dialogue and actions. WFC began developing a holistic roadmap to continue building its DE&I Program to be a catalyst for positive change within and outside the organization. WFC's DE&I Program is intended to positively impact its hiring and promotion practices and third-party vendor contracting, as well as the organization's engagement with customers and communities. The DE&I Officer will reinforce the DE&I Program to enhance the organization's diversity, equity and inclusion and grow partnerships within local communities, as well as with colleges and universities.

WFC's DE&I Council, which was established in 2017, is chaired by the WFC Chairman, President and Chief Executive Officer and Executive Vice President of Business Banking, sending a clear signal throughout the organization that DE&I is a priority for WFC. The DE&I Council serves as the platform where senior leaders and representatives of various employee resource groups shape the strategy, initiatives and other actions of WFC's DE&I focus. The DE&I Officer is a member of the DE&I Council.

Both WFC and Sterling Bancorp believe a workforce with diverse backgrounds and experiences is better prepared to help customers and communities, as well as the organization. For example, Webster has outlined specific strategic objectives and implemented actions to promote a DE&I environment, including to: (1) increase DE&I awareness among existing and potential personnel through various education and programmatic initiatives; and (2) focus on recruitment, development, promotion and retention of people of color and other underrepresented groups within the organization.

With the events of 2020 raising everyone's awareness of racial injustice, WFC's executive leadership emphasized the importance of an honest and authentic dialogue across the organization, which has enhanced the way WFC approaches hiring and promoting employees, engages with vendors and interacts with customers and its communities. As an organization, WFC is focused on social equity and justice, creating education and awareness as a key foundation to build a strong DE&I program to drive positive change both within and outside the organization. In 2020, WFC expanded partnerships and funding focused on racial equity and economic inclusion. Recent examples include: (1) a donation of $100,000 to the Equal Justice Initiative and RE-CENTER Race & Equity in Education; (2) a donation of $100,000 as a founding member in a partnership with the Women Business Development Council, to create a new Equity Match Grant Program that provides micro-grants to minority-owned, women-owned small businesses; and (3) a review of grantmaking practices resulting in a refinement of funding areas to include equity and economic inclusion, and refinement of the grant application processes to better understand organizations' leadership and staffing practices and commitment to diversity, equity and inclusion.

WFC continues to view all its lines of business through a DE&I lens. Every line of business and functional area leader has DE&I metrics included in their strategic goals and must foster workforce diversity, equity and inclusion in their lines of business. In addition, one of WFC's annual talent management review process objectives is to identify and further build a pipeline of diverse talent and position its employees to take advantage of growth and promotional opportunities. At the beginning of 2020, WFC launched a mentorship program through which high-potential diverse individuals are matched with senior executive leaders who serve as mentors, provide career guidance and help position the employees to advance throughout the organization. WFC also provides various DE&I-focused workshops for its management and employees. These workshops include unconscious bias and practices to combat racism and a plethora of additional learning topics related to diversity, equity and inclusion through a new partnership with LinkedIn Learning.

WFC actively supports the success, growth and career progression of its employees, including through technical and leadership development and offering a broad range of career options within WFC. To enhance recruitment of top talent, including through active internship programs, WFC also has strong partnerships with several local educational nonprofit institutions.

WFC is also committed to developing and hiring internal candidates to fill open positions, as evidenced by more than 100 Webster Bank bankers accepting job changes in 2020. In addition, WFC has implemented a cross-functional GenNext program that is comprised of 25 millennial employees from across the lines of business and shared services. These participants provide feedback to ensure that WFC is adequately considering millennials' goals and needs with regard to employee engagement. This has evolved into an Employee Resource Group that looks at the contributions and interactions of generations within Webster Bank's workforce.

In addition, Webster Bank employees are offered more than 200 courses through Webster Bank University, which include: (1) business education and job-specific training; (2) professional development to enhance core capabilities or transferable skills; (3) leadership development; and (4) compliance training to ensure safety and soundness practices (includes nine to 35 required courses, depending on the employee's role).

Webster Bank's compensation program aims to attract, retain and reward high-performing talent at all levels through a pay-for-performance philosophy. The bank provides base salaries that are market-competitive, including a current minimum wage of $15, which is higher than national and state requirements. Variable pay opportunities are available, including corporate incentive plans, sales or service commission or other incentive plans and equity plans for senior-level employees. These plans provide rewards for the effective execution of financial, strategic and/or individual objectives. A strong risk management culture is encouraged by making necessary adjustments to certain categories of employees' variable pay if they contributed to a significant risk management deficiency.

Webster Bank has implemented strong governance processes for its pay practices, including through: competitive market data from multiple surveys; centralized determinations of all job levels; and annual merit increase reviews to ensure decisions were made without bias of any nature; job title pay reviews to ensure pay equity for males and females and other gender pay gap analysis. Webster Bank's Incentive Compensation Oversight Committee also reviews and approves any changes to business-line incentive or sales plans to help ensure consistent governance behaviors.

In addition, Webster Bank provides competitive benefits and wellness resources, including medical, dental, vision wellness incentives, life insurance, voluntary supplemental life insurance, short- and long-term disability, 401(k) with company match, employee stock purchase plan, employee assistance program, paid time off and earned incentive contributions to health savings accounts. Webster Bank shares in the costs of benefits by paying approximately 80% of all insurance premium costs. These benefits will continue at the combined company and combined bank.

Sterling Bancorp and Sterling Bank

Environmental Sustainability. Sterling Bancorp is devoted to operating its business in a sustainable manner and has undertaken a number of initiatives designed to reduce its impact on the environment and to promote environmentally friendly projects and practices. With a goal to increase efficiency and reduce waste, Sterling Bancorp is continuing to digitize manual back office and financial center functions.

In 2020, Sterling Bancorp: (1) provided more than $300 million in financing for environmentally friendly infrastructure projects; (2) migrated substantially all of its technology infrastructure to a cloud environment and out of a physical data center, thereby reducing energy usage and Sterling Bancorp's carbon footprint; (3) adhered to Leadership in Energy and Environmental Design or LEED compliance standards within its newly developed or renovated financial centers; and (4) encouraged environmentally friendly work practices by supporting recycling at all office locations and by installing water efficient faucets and energy efficient thermostats and HVAC systems throughout financial centers and office locations.

Social Responsibility. Sterling Bancorp measures success not only in financial terms, but also in the ongoing support of the communities it serves. Sterling Bancorp is focused on supporting various organizations through fundraising efforts, educational sponsorship, community development efforts, food drives and partnerships with local universities. During 2020, Sterling Bancorp provided approximately $300 million in funding for low-income/ affordable housing projects.

In 2020, Sterling Bancorp continued to make meaningful contributions to local communities through the Sterling National Bank Charitable Foundation, which supports not-for-profit organizations that share in Sterling Bancorp's vision and values. During 2020, the Sterling National Bank Charitable Foundation: (1) made contributions of more than $1.5 million; (2) supported the work of more than 100 charitable organizations; (3) took specific action to address the COVID-19 pandemic, including the provision of financial assistance to food pantries and to organizations providing rent relief, assisting with reopening costs for small businesses, providing childcare for working families and first responders, and providing personal protective equipment for veterans and organizations serving the disabled; and (4) directly contributed to organizations that provide financial literacy and educational programs, including to underserved communities in the Bronx, the lower Hudson Valley, Long Island and New Jersey.

During 2020, the Sterling National Bank Charitable Foundation also: (1) supported diversity and inclusion by providing funding to organizations that promote financial literacy education, as well as to organizations promoting social justice initiatives; (2) sponsored college success and readiness programs by supporting K-12 afterschool programs and youth leadership development initiatives; (3) assisted high school art students in low to moderate income areas with portfolio development for college entrance; (4) endorsed programs providing job training and employment placement, vocational training and homelessness prevention; and (5) supported organizations providing pro-bono legal services and foreclosure and eviction prevention.

Sterling Bancorp also encourages and gives colleagues the opportunity to provide meaningful voluntary service in and support of their communities. During 2020, Sterling Bancorp colleagues volunteered over 4,600 hours in the community both in-person and virtually. Sterling Bancorp also increased the amount of Sterling National Bank Charitable Foundation's Matching Gift Program for Colleagues and matched over $106,000 in donations.

The health and wellbeing of colleagues is also one of Sterling Bancorp's top priorities. Sterling Bancorp is committed to pay equity and the wellness of all colleagues. During 2020, Sterling Bancorp partnered with Headspace, Helpr and Bright Horizons to provide additional resources and support for colleagues. Colleagues are also provided with tools and resources to help them achieve success in their individual roles, including through: (1) Sterling Bancorp's Learning and Development Program, which is designed to provide colleagues the opportunity for continuous education; (2) the Tuition Reimbursement Program which encourages continued learning and development by providing financial support to colleagues for program costs; and (3) partnerships with LinkedIn online Learning to provide colleagues with added resources to enhance their skills and knowledge within select areas.

In addition, Sterling Bancorp is committed to diversity and inclusion, and believes such commitment starts with attracting, retaining and developing a workforce that is diverse in background, knowledge and experience. As of February 2021, women represented 58% and self-identified racial and ethnic minorities represented 43% of Sterling Bancorp's workforce, respectively.

Sterling Bancorp believes in the strength of diversity of its workforce and is committed to supporting colleagues across every identity. The Extraordinary Women of Sterling program was created in 2016 to provide a network to promote personal and professional growth. The forum provides opportunities for all colleagues to participate in discussions on career growth, mentoring and community involvement. Further, to encourage productive conversations, during 2020, Sterling Bancorp formed six Business Resource Groups, each having a distinct focus: African Ancestry Forum, Sterling Pride, Military Veteran Resource Group, Pan Asian Collective, Sterling IMPACT and LatinX. These groups hosted a series of information sessions and participants have been involved in events that foster and promote greater awareness and inclusion. In August 2020, Sterling Bancorp also celebrated its first ever Unity Day bringing all colleagues together and providing an opportunity for them to voice their opinions in an open forum.

Governance. Sterling Bancorp believes that strong governance and oversight is vital and supports long-term success. Sterling Bancorp's corporate governance program provides a strong foundation for operating the business in a manner that is fair, ethical and responsible. Sterling Bancorp's Board of Directors and its committees meet regularly to review policies, current regulations and industry best practices, and Sterling Bancorp's leadership is focused on and devotes substantial attention to matters of corporate responsibility, including ESG priorities.

As part of Sterling Bancorp's sustainability initiatives, its Nominating and Corporate Governance Committee receives updates from management on ESG initiatives and metrics and provides updates to Sterling Bancorp's Board of Directors. Further, Sterling Bancorp's risk management teams oversee compliance with applicable laws and regulations and coordinate with subject matter experts throughout the business to identify, monitor and mitigate risk, including information security risk management and cyber defense programs. These teams maintain robust testing programs and regularly provide updates to Sterling Bancorp's Board of Directors.

8. LIBOR Transition Planning

Both Webster Bank and Sterling Bank are managing the risks that arise from the planned phase-out of using the London Interbank Offered Rate ("LIBOR") as the referenced rate for many indexed financial instruments by the December 31, 2021 deadline. Both Webster Bank and Sterling Bank are proactively working to manage the risks associated with transitioning from LIBOR to the Secured Overnight Financing Rate or other reference rates and will continue to do so. The Proposed Transaction will not adversely impact the combined bank's successful and timely LIBOR transition process.

Webster Bank. Webster Bank's LIBOR Transition Program has an effective governance structure and design, and has made significant progress since its inception in 2019. Currently, Webster Bank is on schedule to transition away from LIBOR by December 31, 2021.

WFC's Chief Financial Officer is the executive sponsor for Webster Bank's LIBOR Transition Program. The LIBOR Transition Steering Committee was formed in July 2019 and, in addition to the Chief Financial Officer who serves as committee chair, is comprised of the: Chief Risk Officer, Chief Information Officer, General Counsel, Head of Commercial Bank, Head of Community Bank, Head of Bank Operations, Treasurer and Chief Auditing Officer. The responsibilities of the LIBOR Transition Steering Committee include: establishing the LIBOR transition strategy; monitoring the progress of the Working Group (discussed below); and approving critical transition decisions. Such decisions include resources required to support the Working Group, choice of consultants to help guide the program, LIBOR trigger event, internal and external communications, and the budget for activities related to the LIBOR transition. The Steering Committee meets monthly to assess the progress and make key project decisions.

In August 2019, the Steering Committee established a Working Group of senior managers from across Webster Bank, including: Treasury, Accounting, Legal, Public Affairs, Financial Planning & Analysis, Commercial Bank, Consumer Bank, Loan Operations, Risk Management, IT and Project Management Office. Responsibilities of the Working Group to ensure an effective transition away from LIBOR to an alternative rate by December 31, 2021, include: identifying LIBOR exposure, evaluation of loan/deal language, performance of net interest income, net interest margin and system impact analysis; and development and update of internal and customer communication plans. The Working Group typically meets on a weekly basis and its leadership meets bi-weekly to review and discuss the status of the LIBOR Transition Program workstreams.

To assist with the LIBOR Transition Program, the Working Group recommended and the Steering Committee approved the engagement of a consulting firm whose engagement began in February 2020 and continues to August 2021, subject to a possible extension through March 2022.

Sterling Bank. Sterling Bank conducted a top-down LIBOR transition risk assessment and documented its LIBOR exposure across all business lines early in its LIBOR transition project. Sterling Bank held its first LIBOR Transition Asset/Liability Management Committee ("ALCO") Subcommittee meeting in September 2019. The Chief Financial Officer serves as executive sponsor for the LIBOR transition project and the representative from the treasury department serves as project manager. Currently, the LIBOR transition team includes representatives from the treasury, enterprise risk and legal departments as well as 22 of the business units (as provided in more detail above).

The LIBOR transition team has established workstreams of all critical steps that are documented in a LIBOR transition roadmap that tracks actions through 2021. All the business units have developed a list of tasks each with target completion dates. The status of all tasks are tracked and reviewed monthly at the LIBOR transition team meetings, along with key risks, issues and concerns identified by the business units.

In addition, the LIBOR transition team also developed a system impact assessment report that identifies all key systems, business unit ownership, upgrade and testing requirements and target completion dates for system readiness. The status of each system is reviewed monthly and issues remediated as necessary.

Replacement reference rates have been selected for most of Sterling Bank's lending products, and measures are underway to transition away from LIBOR for new originations and for existing exposures. Appropriate fallback language has been added to all loan documentation. Sterling Bank's ALCO and the Board of Directors' Enterprise Risk Committee are informed of the status and progress of the LIBOR transition project at each of their meetings.

III. Anti-Money Laundering Compliance Record

The BHC Act requires that, in considering an application under section 3 of the BHC Act, "the Board shall take into consideration the effectiveness of the company or companies in combating money laundering activities."[23] WFC and Sterling Bancorp currently have in place effective measures to combat money laundering and terrorism financing and other financial crimes, including strong programs and infrastructure for compliance with BSA/AML/OFAC regulatory requirements. WFC and Sterling Bancorp will select the best processes and controls from their respective BSA/AML/OFAC compliance and fraud risk management programs to implement a firm-wide Financial Crimes Compliance Risk Management Department and Financial Crimes Compliance Program that integrates BSA/AML/OFAC compliance and fraud risk management. More information about the respective Financial Crimes Compliance Programs at WFC and Sterling Bancorp is provided in Exhibit 16 and Exhibit 17, respectively.

The resulting Financial Crimes Compliance Program at the combined company and combined bank will continue the core elements found in each company's current Financial Crimes Compliance Program: governance, risk management, training and awareness, policies and procedures, know your customer and high risk customer identification and monitoring, timely filing of currency transaction reports ("CTRs") and suspicious activity reports ("SARs"), sanctions screening, technology management, analytics, trending and reporting, and independent review. The Financial Crimes Compliance Program will use the three-lines-of-defense model, with: the 1LOD (the business units) responsible for execution of the BSA policies, standards and procedures, including for self-identification of control issues or other risks; the 2LOD (the Financial Crimes Compliance Risk Management Department) responsible for the design, execution, and ongoing monitoring and testing; and the 3LOD (Internal Audit) responsible for testing and validating the effectiveness of the Financial Crimes Compliance Program.

The combined organization also will integrate the personnel resources of WFC and Sterling Bancorp to ensure the Financial Crimes Compliance Program at the combined organization continues to operate with sufficient experienced management and staff dedicated to Financial Crimes Compliance risk management. At both WFC and Sterling Bancorp, the Boards of Directors and management teams responsible for Financial Crimes Compliance have monitored changes in BSA/AML risk profiles to ensure that adequate resources – human and technological – are devoted to BSA/AML/OFAC compliance efforts. Both banks have similar

[23] 12 U.S.C. § 1842(c)(6).

BSA/AML and OFAC sanctions programs in place; have a similar risk profile and have taken a conservative approach in terms of Financial Crimes Compliance, which should result in a smooth, successful integration of processes.

During the integration process, WFC and Sterling Bancorp will evaluate their respective information technology systems – Fiserv FCRM and NICE Actimize – to determine which one provides the best comprehensive solution for the Financial Crimes Compliance Program platform for transaction monitoring, high risk customer identification and monitoring, watch list filters and enterprise case management. The combined company and combined bank will continue making significant investments and enhancements to the Financial Crimes Compliance Program on an ongoing basis to appropriately manage these continuing and emerging risks.

WFC and Sterling Bancorp each continuously assess Financial Crimes Compliance staffing needs, adding resources as needed to maintain the effectiveness of their respective programs. Both companies have strong compliance risk management organizational structures, focusing on specialized roles and responsibilities in the areas of Financial Crimes Compliance. WFC and Sterling Bancorp have BSA/AML/OFAC compliance and fraud risk management professionals covering areas, such as regulatory and reporting, customer information program, high risk customer monitoring, investigations, compliance risk assessment, testing, governance, training, analytics and technology. They both have created robust organizational structures, with seasoned management teams, to ensure a solid foundation that will continue to meet the needs of a growing organization and the requirements of a dynamic regulatory and geopolitical environment. The combined company and combined bank will maintain staffing levels that are appropriate to ensure timely and accurate execution of the Financial Crimes Compliance Program.

The leader of the combined company's and combined bank's Financial Crimes Compliance Risk Management Department will be named within approximately 60 days after the Application is filed, and will report to the Chief Risk Officer and regularly communicate program status and risk issues to the respective executive- and board-level risk committees. Thereafter, individuals with sufficient authority and extensive integration experience will be appointed to provide direct oversight of the Financial Crimes Compliance risk management planning process for the operations during the Interim Period. Consistent processes will be agreed upon prior to the closing and monitored during the Interim Period.

During the integration planning process, enterprise standards and approaches for managing potentially suspicious activity across the combined company will be developed. Upon consummation of the Proposed Transaction, these new enterprise standards will be implemented in order to ensure consistency in alert approach, case management, and investigative and reporting processes.

The designated Financial Crimes Officer for the combined organization will be responsible for effective management of the Financial Crimes Compliance Program, including during the Interim Period. All existing controls at the two companies will remain in place until they can be consolidated. The two companies' processes will be integrated after the Proposed Transaction closing at the appropriate time. For example, regulatory reporting processes will be combined at consummation whereas data flows for transaction monitoring will be aggregated for

BSA monitoring after closing and will be fully merged into a single platform at the time of system conversion. Identified weaknesses or gaps in either legacy company's processes will be addressed and remediated during the Interim Period. All risk issues will be aggregated by the consolidated team, and key metrics and trend reporting will be created to monitor progress and identify areas of emerging risks, and this information will be communicated regularly to the respective executive- and board-level risk committees.

CTRs and SARs will be E-filed with the Financial Crimes Enforcement Network using the filing information of Webster Bank, as the surviving bank, during the Interim Period. The BSA/AML/OFAC system of Sterling Bank, the non-surviving bank, will be reconfigured with the proper filing information. Designated individuals with oversight responsibility will have access to both WFC's and Sterling Bancorp's systems to monitor and ensure timely and accurate filing information. To facilitate matters, a designated individual will contact BSA E-Filing to request convergence of the BSA E-Filing database of Sterling Bank into Webster Bank's BSA E–Filing database upon the closing of the Proposed Transaction. Webster Bank, as the surviving bank, will file new Designation of Exempt Persons ("DOEP") forms for the exempt customers of Sterling Bank. The filing of the DOEPs will be completed within 30 days after the closing.

System-generated alerts for AML and fraud will be investigated independently in the transaction monitoring system of each legacy bank during the Interim Period. Management teams responsible for each legacy bank will continue to provide oversight to ensure alert resolution is completed in a timely manner, alerts are escalated when warranted and SARs are filed as required. The designated individuals with process oversight responsibility will have access to both systems and will monitor these processes to ensure compliance with regulatory expectations.

Agreed upon compliance policies and procedures related to customer identification, identity verification, customer due diligence and enhanced due diligence, beneficial ownership, etc., will be developed prior to consummation of the Proposed Transaction. As the banks utilize different core processing systems, each bank will independently monitor for compliance with the agreed-upon policies during the Interim Period.

Based on all the facts of record, considerations related to the AML compliance records and management of WFC and Sterling Bancorp are consistent with approval of the Application.

IV. Competitive Effects

Section 3 of the BHC Act prohibits the Federal Reserve from approving the Application if it would substantially lessen competition in any banking market, unless the agency determines that the anticompetitive effects of a proposed merger or acquisition are clearly outweighed by the probable effect of the transaction in meeting the convenience and needs of the communities to be served and, thus, in the public interest.[24] WFC's proposed acquisition of Sterling Bancorp will not result in any significantly adverse impact on competition in any relevant banking market.

[24] 12 U.S.C. § 1842(c)(1); 12 U.S.C. § 1828(c)(5).

In evaluating the competitive effects of a proposed merger or acquisition, the Federal Reserve and the Antitrust Division of the DOJ (pursuant to the Clayton Act, as amended) consider all the facts of record. In particular, the Federal Reserve considers the number and strength of competitors that would remain in the banking markets, the relative shares of total deposits held by insured depository institutions in the banking markets that the acquirer would control as a result of the transaction, the concentration levels of market deposits and the increase in these levels as measured by the Herfindahl-Hirschman Index (the "HHI") under the DOJ Bank Merger Competitive Review guidelines (the "DOJ Bank Merger Guidelines"),[25] small business lending concentration levels, potential for new entry and expansion, and other characteristics of the market.

The Federal Reserve assesses the likely competitive impact of a merger on the cluster of banking services within local geographic markets defined by the local Federal Reserve Banks to reflect "commercial and banking realities and . . . consist of the local area where the banks involved offer their services and where local customers can practically turn for alternatives."[26] This includes personal and small business banking and lending products and services. As a practical matter, regularly reported, available data upon which the Federal Reserve can rely are limited to deposits and branch locations (gathered by the FDIC annually) and small business loan originations (annually gathered by the Federal Financial Institutions Examination Council). Both databases have limitations in that they exclude data from numerous competitors (both banks and other financial institutions) and, therefore, generally overstate the competitive significance of proposed transactions. Examples of entities that may compete in a local banking market, but which are generally not captured in the agency's competitive analysis, include internet banks as platforms for deposit-taking, fintech companies, out-of-market bank lenders and money market funds. The Federal Reserve's analytical framework for evaluating bank mergers, described below and outlined in its Bank Merger FAQs,[27] uses available data to identify potential areas of competitive concern together with an analysis of market-specific competitive characteristics to determine whether a proposed transaction will substantially lessen competition in any given banking market.

As a "screening test" for competitive considerations, and based on their experience in evaluating banking mergers, the Federal Reserve and the DOJ traditionally conclude that a

[25] In applying the DOJ Bank Merger Guidelines issued in 1995 (*see* https://www.justice.gov/atr/bank-merger-competitive-review-introduction-and-overview-1995), the Federal Reserve looks to the DOJ's Horizontal Merger Guidelines issued in 1992, and amended in 1997, for the characterization of a market's concentration. *See* https://www.justice.gov/atr/horizontal-merger-guideline-08192010; https://www.justice.gov/sites/default/files/atr/legacy/2007/08/14/hmg.pdf. Under these Horizontal Merger Guidelines, a market is considered unconcentrated if the post-merger HHI is under 1000, moderately concentrated if the post-merger HHI is between 1000 and 1800, and highly concentrated if the post-merger HHI exceeds 1800. The DOJ has informed the Federal Reserve that a bank merger or acquisition generally would not be challenged (in the absence of other factors indicating anticompetitive effects) unless the post-merger HHI is at least 1800 and the merger increases the HHI by more than 200 points. Although the DOJ and the Federal Trade Commission issued revised Horizontal Merger Guidelines in 2010 (*see* https://www.justice.gov/atr/horizontal-merger-guidelines-08192010), the DOJ has confirmed that its Bank Merger Guidelines, which were issued in 1995, were not modified. *See* Press Release, Department of Justice (Aug. 19, 2010), available at www.justice.gov/opa/pr/2010/August/10-at-938.html.

[26] *North Fork Bancorporation, Inc.*, 81 Fed. Res. Bull. 734, 736 (1993).

[27] FAQs issued by the Federal Reserve and DOJ on October 9, 2014, at http://www.federalreserve.gov/bankinforeg/competitive-effects-mergers-acquisitions-faqs.htm.

merger presents no competitive concerns and generally warrants no further investigation if either (1) the post-merger HHI (computed by summing the squares of deposit-based market shares of all FDIC-reporting firms in Federal Reserve defined markets) is no greater than 1800 points; or (2) the increase in the HHI as a result of the merger does not exceed 200 points. If a proposal does not exceed this 1800/200 screen and, in the Federal Reserve's case, the post-acquisition deposit market share would not exceed 35%, the proposal is considered to be within "safe harbor" level(s).

Webster Bank and Sterling Bank have overlapping branch operations in only one banking market, as defined by the Federal Reserve, the Metro New York City, NY-NJ-CT-PA banking market (the "Metro NYC Market").[28] As demonstrated in the chart below, the HHI levels would meet the safe harbor criteria under the Federal Reserve's and DOJ's initial screen, and the pro forma deposit market share would be well below 35% in the Metro NYC Market.

FDIC Summary of Deposits data as of June 30, 2020, are summarized below:

	Webster Bank ($000s)	**Sterling Bank ($000s)**	**Change in HHI**	**Post-merger HHI**	**Post-merger Share**
Metro NYC Market	$17,386,285	$23,755,113	1	1,255	1.81%

Exhibit 18 provides a more detailed summary chart of the competitive effects, and a list of the competitors and their respective market shares, in the Metro NYC Market.

Based on all the facts of record, consummation of the Proposed Transaction would not have a substantial adverse effect on competition or on the concentration of resources in any banking market under Federal Reserve and DOJ precedent. Accordingly, competitive considerations of the Holdco Merger are consistent with approval of the Application.

[28] The Federal Reserve defines the Metro NYC Market as: Fairfield County, CT; Bethlehem, Bridgewater, Canaan, Cornwall, Goshen, Kent, Litchfield, Morris, New Milford, North Canaan, Plymouth, Roxbury, Salisbury, Sharon, Thomaston, Warren, Washington, Watertown and Woodbury towns in Litchfield County, CT; Ansonia, Beacon Falls, Bethany, Cheshire, Derby, Hamden, Meriden, Middlebury, Milford, Naugatuck, North Haven, Orange, Oxford, Prospect, Seymour, Southbury, Wallingford, Waterbury, Wolcott and Woodbridge in New Haven County, CT; Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster and Westchester Counties, NY; Hudson City, Ancram, Clermont, Copake, Gallatin, Germantown, Greenport, Livingston and Taghkanic towns in Columbia County, NY; Catskill, Halcott, Hunter and Lexington towns in Greene County, NY; Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex and Union Counties, NJ; Pemberton and Wrightstown boroughs and Bass River, New Hanover, North Hanover, Pemberton, Shamong, Southampton, Tabernacle, Washington and Woodland townships in Burlington County, NJ; Hightstown, Hopewell, Pennington and Princeton boroughs and East Windsor, Ewing, Hopewell, Lawrence, Princeton, Robbinsville and West Windsor townships in Mercer County, NJ; Washington borough, Belvidere and Hackettstown towns and Allamuchy, Blairstown, Franklin, Frelinghuysen, Greenwich, Hardwick, Harmony, Hope, Independence, Knowlton, Liberty, Lopatcong, Mansfield, Oxford, Washington and White townships in Warren County, NJ; Pike County, PA; Delaware Water Gap, East Stroudsburg, Mount Pocono and Stroudsburg boroughs and Barrett, Coolbaugh, Middle Smithfield, Paradise, Pocono, Price, Smithfield and Stroud townships in Monroe County, PA; and Hawley borough and Berlin, Damascus, Dreher, Lebanon, Manchester, Oregon, Palmyra, Paupack, Salem and Sterling townships in Wayne County, PA.

V. **Financial Stability Risk Considerations**

The Federal Reserve must consider in every application under section 3 of the BHC Act whether the proposed acquisition would result in greater or more concentrated risks to the stability of the U.S. banking or financial systems.[29] As discussed below, the Proposed Transaction will not materially increase systemic risk to the U.S. banking and financial system. Instead, the Proposed Transaction will result in a stronger regional banking organization that is more competitive with other regional banking organizations and significantly larger banking organizations, and thereby will reduce systemic risk to the U.S. banking and financial system.

Through the approval process for bank holding company and bank merger applications, the Federal Reserve and other agencies have identified several factors and metrics intended to capture the systemic risk "footprint" of the resulting banking organization and the incremental effect of a proposal on the systemic risk footprint of the acquiring banking organization (the "Financial Stability Factors").[30] In the order approving the acquisition by Capital One Financial Corporation of ING Bank, fsb (the "Capital One Order"),[31] the Federal Reserve set forth the following Financial Stability Risk Factors that the Federal Reserve has used in evaluating proposals:

- whether the proposal would result in a material increase in risks to financial stability due to the increase in size of the combining firms;
- whether the proposal would result in a reduction in the availability of substitute providers for the services offered by the combining firms;
- the extent of interconnectedness among the combining firms and the rest of the financial system;
- the extent to which the combining firms contribute to the complexity of the financial system; and
- the extent of cross-border activities of the resulting firms.

Also interwoven in the Federal Reserve's analyses is the relative degree of difficulty of resolving the resulting firm. For example, in addition to quantitative measures, the Federal Reserve considers "qualitative factors, such as the opaqueness and complexity of an institution's

[29] 12 U.S.C. § 1842(c)(7). None of the federal banking agencies has issued or proposed regulations further defining how the agencies would take financial stability considerations into account in reviewing a bank acquisition.
[30] *E.g.*, *Capital One Financial Corporation*, FRB Order No. 2012-2 (Feb. 14, 2012); *see also* BB&T Order; National Bank Holdings Corporation Order; *First Horizon National Corporation*, FRB Order No 2017-29 (Oct. 30, 2017); Letter to Jason J. Cabral, Esq. from Stephen A. Lybarger, CRA Decision #2017-186 (Oct. 16, 2017); *PacWest Bancorp*, FRB Order No. 2017-24 (Sep. 21, 2017); People's United Order; *CIT Group, Inc.*, FRB Order No. 2015-20 (July 19, 2015); Letter to Joseph M. Otting from Stephen A. Lybarger (July 21, 2015) (OCC approval of CIT Bank's acquisition of OneWest Bank, N.A.); OCC Corporate Decision #2012-05 (April 2012).
[31] *Capital One Financial Corporation*, FRB Order No. 2012-2 (Feb. 14, 2012).

internal organization, that are indicative of the relative degree of difficulty of resolving the resulting firm."[32]

Additionally, in the Capital One Order and subsequent approval orders, the Federal Reserve recognized that certain types of transactions likely would have only a *de minimis* impact on an institution's systemic risk footprint and, therefore, should be presumed not to raise financial stability concerns. Specifically, the Federal Reserve stated its experience suggests that proposals that result in a firm with less than $100 billion in total assets are not likely to pose a systematic risk.[33] As noted, the Proposed Transaction would result in a combined company with approximately $63.7 billion in assets, which is far below the $100 billion total assets threshold. Accordingly, the Federal Reserve presumes that a transaction, such as the Proposed Transaction, would not raise material financial stability concerns if the assets, absent evidence that the transaction would result in a significant increase in interconnectedness, complexity, cross-border activities, or other risk factors.[34]

An analysis of the Financial Stability Risk Factors and consideration further demonstrates that the Proposed Transaction would not result in risk to the stability of the U.S. banking or financial system. For additional information on the financial stability risk analysis, please see Confidential Exhibit G.

Size. In the Proposed Transaction, the consolidated assets of the pro forma organization would be approximately $63.7 billion, which is far less than the $100 billion-level below which the Federal Reserve presumes that a proposed transaction does not pose a heightened risk to financial stability (as discussed above). Based on total pro forma assets, the combined company would rank only 44th in total asset size among all United States depository organizations[35] and would hold only 0.31% of nationwide deposits.

Substitutability. WFC and Sterling Bancorp offer a range of traditional retail and commercial banking products and services. Such activities of WFC and/or Sterling Bancorp include consumer and small business deposits and lending, residential and commercial real estate lending, asset-based lending, equipment finance, warehouse lending, payroll finance, factoring and treasury management services. Neither company is a material participant in payment services, custodial activities, underwriting or repurchase activities. The product and service offerings of WFC and Sterling Bancorp cannot be regarded as highly specialized or "critical" financial products available from only a small number of providers. Consumers and businesses would have ample access to substitute providers in the markets in which the combined company and the combined bank would operate.

Interconnectedness. The Proposed Transaction would not increase or otherwise affect the interconnectedness of the U.S. banking or financial system. The combined company would

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[32] Capital One Order at 29-30.

[33] *People's United Financial, Inc.*, FRB Order No. 2017-08 (March 16, 2017) ("People's United Order").

[34] *Associated Banc-Corp*, FRB Order No. 2018-03 at 27-28 (January 23, 2018) (citing Peoples United Order, 25-26); *see also Independent Bank Group, Inc.*, FRB Order No. 2018-11 (May 2, 2018); *National Bank Holdings Corporation*, FRB Order No. 2017-34 (Nov. 28, 2017) ("National Bank Holdings Corporation Order").

[35] Includes all bank holding companies, savings and loan holding companies, and intermediate holding companies reporting on Form Y-9C.

not constitute a critical services provider or be so interconnected with other firms or the markets that it would pose a significant risk to the financial system in the event of financial distress. The combined company's share of U.S. intra-financial system assets and liabilities will be small.

Complexity. The combined company would not have an organizational structure, complex interrelationships or other unique characteristics that would hinder a timely and efficient resolution or otherwise pose a significant risk to the U.S. banking or financial system in the event of financial distress. In addition, the companies do not have significant derivatives or securities trading exposures.

Cross-Border Activity. Neither WFC nor Sterling Bancorp engages in significant cross-border activities. In addition, Sterling Bancorp does not have any non-U.S. locations or operations, and only one cross-border lending relationship. WFC has only one location outside the United States, a Cayman Islands branch, and no significant activities, assets or liabilities outside the United States. Please see Confidential Exhibit G for more information about the cross-border activities of WFC and Sterling Bancorp.

Therefore, the Proposed Transaction would not result in any meaningful increase to the foreign operations or cross-border activity of WFC as a combined organization and would not create difficulties in coordinating any resolution of the combined company or otherwise increase the risk to U.S. financial stability.

Conclusion on Financial Stability Risk. In view of the foregoing, the Proposed Transaction would not result in greater or more concentrated risks to the stability of the U.S. banking or financial system under any Financial Stability Risk Factor. Accordingly, considerations relating to financial stability are consistent with approval of the Application.

VI. Convenience and Needs Considerations of the Proposed Transaction

In acting on the Application, section 3 of the BHC Act requires the Federal Reserve to consider the effects of the Proposed Transaction on the convenience and needs of the communities to be served.[36] This "merger of equals" transaction will bring together two banking organizations with strong customer-oriented and ethical cultures, highly compatible business models, robust risk management systems and dedication to reinvesting and economically empowering their communities. This combination of two banking organizations with such strong foundations will result in a premier regional banking organization in the Northeast and bring significant benefits to WFC's and Sterling Bancorp's customers and communities.

WFC and Sterling Bancorp strongly believe that the combined company and combined bank will benefit the customers and communities served by the legacy banks. However, the Proposed Transaction will enable the combined bank to provide enhanced retail and commercial banking services and products in a more efficient manner. Following consummation of the Bank Merger and over time, customers will have available the technical expertise and resources that both banks have developed in numerous fields of banking, including consumer and commercial credit and deposit services, specialty lending segments, treasury services, wealth management and other related services and resources. The availability of these resources, products and

[36] 12 U.S.C. § 1842(c)(5).

services to customers will make the combined bank an even stronger provider of financial services than either Webster Bank or Sterling Bank operating alone.

The Proposed Transaction would benefit the respective legacy customers of Webster Bank and Sterling Bank by providing them an expanded branch and ATM network. Sterling Bank operates in some communities in New York in which Webster Bank does not have a branch presence. Webster Bank has branches in Connecticut, Massachusetts and Rhode Island, states in which Sterling Bank has no branches.

The branch networks of Webster Bank and Sterling Bank have minimal overlap. Webster Bank and Sterling Bank do not expect to consolidate or close any Webster Bank or Sterling Bank branch as a result of the Proposed Transaction.

WFC's and Sterling Bancorp's shared prioritization of customer service, community reinvestment and active community development is demonstrated in the *Commitment to the CRA* section below. As noted, Webster Bank received an overall "Outstanding" rating, and Sterling Bank received an overall "Satisfactory" rating, for CRA performance from the OCC, the primary federal banking regulator of both banks, in their most recent evaluations. Webster Bank's CRA program will continue at the combined bank and be enhanced by the products, services, community organization relationships and best CRA practices at Sterling Bank.

The complementary businesses and cultures of Webster Bank and Sterling Bank will create other synergistic opportunities and benefits for their legacy customers and communities. For example, the legacy customers and communities served by Webster Bank will benefit from several activities in which Webster Bank currently does not engage, including Zelle® peer-to-peer payments, a debit card management tool called "Card Valet"; BrioDirect Banking, a direct-to-consumer, digital online-only product set and channel; payroll finance; mortgage warehouse lending; and factoring. Other Sterling Bank products and services that Webster Bank does not provide include, among others: integrated payables, SWIFT for corporate customers (payments and reporting); QuickBooks Direct Connect; remote official check printing (Bank Check Express); insured cash sweep account; and virtual account management. In addition, Sterling Bank operates a Banking as a Service ("BaaS") business, which provides financial technology and other nonbank third parties with a defined set of banking products and service offerings (deposit products, payment solutions and card offerings).

Legacy Webster Bank and Sterling Bank customers will benefit from the new, mobile banking platform that Sterling Bank is in the process of implementing. This platform, which is expected to launch as early as the third quarter of 2021, will provide a wide range of state-of-the-art capabilities, including: (1) data cleansing, spending and saving analytics and improved data presentation; (2) an improved mobile app user interface; (3) personal financial management tools for budgeting and money tracking capabilities; (4) data and account aggregations services and capabilities; (5) artificial intelligence-driven data, providing personalized insights enabling customers to better manage their money; and (6) data analytics and insights to enhance customer management.

The legacy customers and communities of Sterling Bank will benefit from the following activities of Webster Bank: an active home mortgage origination business, including more mortgage loan products and programs designed for LMI borrowers; a "Bump Up CD," which allows customers to secure a higher interest rate at least once during the account term; broader small business lending activity, including under SBA programs; Canadian-based cash management services (in partnership with Bank of Montreal); enhanced import-export tools facilitating cross-border shipments via documentary collection and exchange; and SMART Safe for cash storage and cash management. Webster Bank also offers customers with investment options that Sterling Bank does not provide, including: investment sweep accounts, commercial paper, U.S. Treasuries and government agency securities. Further, Webster Bank directly offers interest rate hedging for customers and financial consultant services through employees of Webster Bank, rather than just through outsourced third parties.

In addition, the significant HSA Bank Division of Webster Bank offers health savings account services nationwide, which are not offered by Sterling Bank. The HSA Bank Division helps employees of companies and other entities secure a better financial future by lowering their out-of-pocket healthcare expenses and simplifying their health and other similar benefit account experiences through use of cutting-edge technology and innovation. The HSA Bank Division offers health savings accounts, flexible spending arrangements, health reimbursement arrangements, commuter benefits and other related employee benefit services. With over 20 years of experience, the HSA Division is a trusted leader in the consumer-directed healthcare industry.

Combining the affordable credit products and low-cost deposit products of Webster Bank and Sterling Bank will enable the combined bank to provide a broader range of credit and deposit products designed for LMI individuals. The relationships with community organizations in New York that the two organizations have developed are expected to increase community development lending, investment and service activities in the state and region.

Webster Bank's affordable consumer home and deposit products include, among others:

- *Opportunity Checking Account* – This is a "second chance" product for customers who do not qualify for traditional bank accounts due to negative results of past relationships. The account, which is targeted to the unbanked individuals, offers a low-minimum balance ($50), a low service charge with direct deposit, and access to regular banking services, including direct deposit, check writing, ATM cards and online banking.

- *Bank Power Program* – Deposit and loan product benefits are provided to individuals who complete financial literacy training, including, among others: (1) waiver of monthly service charge and lowering of the minimum account opening deposit (to only $25) on the WebsterOne checking account; (2) ATM withdrawals anywhere without a Webster Bank fee; (3) free online banking and bill pay; (4) $250 off the first residential mortgage closing; and (5) special discounts on home equity line and loan rates with automatic payment deduction from a Webster Bank checking account.

- *Home Ownership Possibilities for Everyone ("HOPE") Mortgage Loans Program* – This program offers a mortgage loan designed to increase home ownership opportunities for LMI borrowers (with income up to 80% of the area median income)

("AMI") who cannot afford or qualify for a standard conventional or government mortgage financing (*e.g.*, due to income, debt level, asset issues).

- *Fannie Mae HomeReady Mortgage Loan Program* – This program offers a mortgage loan designed to assist LMI homebuyers, which includes significantly flexible credit guidelines; allows up to a 97% loan-to-value ratio, is subject to a minimum credit score of 620 and an income level of up to 80% AMI in the property's location, and offers certain other flexibility.

- *Connecticut Housing Finance Agency ("CHFA") Mortgage Loan Program (HFA Preferred Mortgage Loans)* – The CHFA offers mortgage loan programs to purchase a home in Connecticut, which is available to borrowers who meet income and other eligibility criteria established by the CHFA at a below-market interest rate. The HFA Preferred Mortgage Loan Program provides CHFA first and second loan financing to eligible first-time homebuyers in compliance with CHFA, Fannie Mae and servicer requirements.

- *CHFA Conventional AMI Loan Program ("CALP")* – The CALP loan program provides first mortgage loan financing with below-market interest rates to qualified first-time homebuyers (or other homebuyers in specified areas) who do not qualify for the CHFA Preferred Mortgage Loan Program or government-sponsored enterprise ("GSE") mortgage loan programs due to their qualifying income being above the 80% AMI. This program also helps borrowers save on private mortgage insurance cost.

- *CHFA Second Mortgage Loan Program* – This program of the CHFA offers a 30-year fixed rate, fully amortizing down payment and closing cost assistance up to $20,000 for the CHFA HFA Preferred and CHFA AMI Programs for Connecticut properties.

- *Massachusetts Housing Finance Agency ("MHFA") HFA Preferred Mortgage Loan* – This program provides a fixed-rate, first lien mortgage loan to purchase or refinance a primary residence to borrowers who meet income limits (up to 135% of AMI) and other eligibility criteria, at below-market interest rates set by the MHFA.

- *Massachusetts Housing Partnership One Mortgage Loan Program* – This program provides a fixed-rate first lien mortgage to purchase a primary residence in Massachusetts t below-market interest rates for borrowers who meet income requirements (up to 100% of AMI) based on household size where the property is located. Other eligibility criteria include a minimum credit score of 660, maximum LTV of 97%, and borrowers with debt-to-income ratios may qualify for an interest subsidy credit.

- *State of New York Mortgage Agency ("SONYMA") Low Interest Rate Mortgage Loan Program and Achieving the Dream Program* – These programs offer fixed-rate mortgage loans to purchase a one-to-four unit primary residence in specific New York counties, at a below-market interest rates set by SONYMA, for borrowers who meet income and other eligibility criteria. The borrower must be a first-time homebuyer, unless purchasing a property in a Federally Approved Area for Economic Development or the borrower is an eligible military veteran.

- *Equity Builder Program* – This is a grant program designed to support residential lending to LMI first-time homebuyers to provide down payment and closing cost assistance to purchase a primary residence. The maximum size of the grant is $15,000 with a term of five years, household income cannot exceed 80% of AMI and the borrower must contribute at least $500 of their own funds. Webster Bank provides an incentive in the form of a lender credit on the first-lien mortgage loan.

Sterling Bank's affordable home loan programs include:

- *Sterling Start Affordable Home Mortgage Program* – Under this program, applicants who meet income qualifications can purchase or refinance a home, condominium or co-op with a low fixed-rate mortgage loan without a private mortgage insurance requirement. The LTV ratio can be up to 97% and down payment assistance can include gifts, grants or cash on hand.

- *Sterling Start Grant Program* – Qualified first-time homebuyers who complete the approved home ownership education course can receive a grant of up to $7,500 for down payment or closing cost assistance. No grant repayment is required even upon the sale of the home.

Other benefits will result from the Proposed Transaction, including that the combined bank will have a higher lending limit than either Webster Bank or Sterling Bank have by operating independently, enabling the combined bank to provide credit to larger commercial customers, increase loan syndication capabilities for borrowers and permit more credit retention that increases opportunities to develop long-lasting relationships. This will benefit legacy customers of Webster Bank and Sterling Bank, as well as attract new customers seeking larger credit facilities. In addition, combining the treasury services of the two banks will enhance cash management services and enable investment in additional cash management services to benefit customers.

The combined company and combined bank will also have an enhanced competitive position in New York and New England, as well as for their nationwide businesses (*e.g.*, HSA business, asset-based lending, equipment financing, payroll financing and factoring). The increased scale, deposit base and profitability will enable greater efficiencies and larger investment in technology, marketing and employees.

Additionally, the combined company and combined bank will have enhanced scale and opportunities for further technology investments to meet the evolving needs of consumer, small business and commercial customers for digital banking solutions and enhanced cybersecurity protections, which will benefit legacy customers and new customers. The Proposed Transaction will better position the combined bank to make ongoing technological enhancements to enhance its competitive position, operational and compliance risk management efficiencies and information security.

WFC and Sterling Bancorp also believe that the expanded scale and scope of the combined company and combined bank will benefit legacy employees of both companies. Both WFC and Sterling Bancorp prioritize the following, which will continue at the combined bank: employee well-being and benefits; training; in-house career opportunities, development and advancement; and expansion of DE&I initiatives. The larger combined company and combined bank and broader set of products and services offered will provide new professional opportunities for legacy employees of both organizations.

Based on all the foregoing, it is evident that the Proposed Transaction will favorably serve the convenience and needs of the customers, communities, employees and other constituents of WFC and Sterling Bancorp.

VII. Commitment to the CRA

Webster Bank and Sterling Bank share an unwavering commitment to supporting all the communities they respectively serve. This commitment is reflected in Webster Bank's and Sterling Bank's respective overall CRA performance ratings of "Outstanding" and "Satisfactory" in their most recent evaluations by the OCC. Webster Bank has received two consecutive overall "Outstanding" CRA performance ratings in its most recent evaluations by the OCC. After consummation of the Proposed Transaction, Webster Bank will continue its outstanding CRA performance legacy at the combined bank to: continue helping to strengthen all its communities: create financial opportunities for individuals and families, including LMI and other unserved groups, and increase financing for small businesses throughout the combined footprint of Webster Bank and Sterling Bank.

On consummation of the Proposed Transaction, Webster Bank will extend its highly successful CRA program into the communities currently served by Sterling Bank, while also integrating successful strategies, programs and community organization relationships of Sterling Bank. Webster Bank and Sterling Bank are carefully evaluating their current consumer products and community development programs and services so that the combined bank may incorporate the strongest components of both banks' community reinvestment activities and strive to achieve an overall "Outstanding" CRA performance record.

Webster Bank will continue to organize the CRA activities under the leadership and coordination of a CRA Officer who will bring together all the critical activities associated with ensuring a high-level engagement with its communities and achieving an "Outstanding" CRA performance rating. The Executive Vice President of Retail Banking and Consumer Lending will chair a CRA Committee that will include executive and senior managers in key disciplines across the Retail Bank, Commercial Bank, Philanthropy, DE&I, and Compliance departments. The CRA Committee will monitor progress against the Community Investment Strategy, discussed below, and will report findings on a regular basis to the ERMC and the Risk Committee of the Board of Directors. The reporting line for the CRA Officer will be determined during the integration planning process and concluded prior to consummation of the Proposed Transaction.

As discussed below, Webster Bank supports the communities where it conducts business through offering a variety of affordable home loan and small business lending programs and excellent levels of community development lending and investment activity. In addition, Webster Bank prioritizes community development service activity throughout its communities through the volunteer work of its employees in providing financial literacy training, as well as leadership, technical expertise and manpower to nonprofit entities and other community organizations engaged in: creating affordable housing; providing community services to address critical living needs; creating financing opportunities for small businesses; and economically developing LMI and distressed communities.

As discussed below, Sterling Bank supports the local communities and small businesses where it conducts business through loans to small businesses, community development loans and qualified investments and grants, which has included projects ranging in scope from charter schools, homeless shelters, multifamily housing and nursing homes. Sterling Bank also supports community development services through the volunteer work of its colleagues.

When faced with the COVID-19 pandemic challenges, Webster Bank and Sterling Bank quickly pivoted to provide additional support to their customers, communities and employees. For example, Webster instituted a foreclosure moratorium for occupied Webster-owned residential mortgages, modified branch operations, increased customer deposit limits, waived penalties for early CD withdrawals and waived or reduced certain other fees, and provided loan modifications supporting over 2,400 customers. Through the Sterling National Bank Charitable Foundation, Sterling Bancorp took specific action to address the COVID-19 pandemic, including the provision of financial assistance to food pantries and to organizations providing rent relief, assisting with reopening costs for small businesses, providing childcare for working families and first responders, and providing personal protective equipment for veterans and organizations serving the disabled.

In addition, Webster Bank has been an active participant in the SBA's PPP by funding nearly $1.98 billion in PPP loans to over 17,350 customers, through the first quarter of 2021. In 2020, Sterling Bank funded PPP loans aggregating $649 million to over 3,000 customers. Soon after the pandemic began, both Webster Bank and Sterling Bank also provided additional funds to community organizations to help meet urgent community needs for critical services.

Webster Bank looks forward to planning, in consultation with Sterling Bank, the different ways in which the combined company and combined bank can support local communities and assist disadvantaged groups across the combined bank's entire footprint. Webster Bank and Sterling Bank have already begun engaging with community organizations in their respective CRA assessment areas, to identify ways in which the combined bank may best serve the banking and credit needs of all the communities they serve, including LMI and minority individuals and communities and help further refine Webster Bank's Community Investment Strategy.

Webster Bank has established a Community Investment Strategy for a three-year period following the closing of the Proposed Transaction. The Community Investment Strategy ensures continuation of and growth in the combined bank's deep support for the communities in which the combined bank operates and serves. The three-year strategy includes lending, investment and grants totaling approximately 10% of the combined bank's assets. The primary pillars of the strategy include: (1) supporting affordable housing/home ownership; (2) lending and investing in small businesses as well as within the combined bank's communities to help support schools, hospitals and other centers of care that are essential within the bank's communities; (3) promoting further engagement in the communities; and (4) increasing access to banking products and services, including digital access. This strategy represents a growth from Webster Bank's and Sterling Bank's collective historic activity with respect to lending for affordable housing and home ownership in LMI communities, lending to small businesses, of community development lending, qualified investments, grants/contributions, and community services (to include over 30,000 volunteer services hours).

Below are some additional details on the four pillars of the Community Investment Strategy for the combined bank:

- **Affordable Housing and Home Ownership.** Webster Bank's Community Investment Strategy calls for $2.3 billion in lending to create affordable housing and home ownership opportunities throughout the combined bank's market area. This pillar will be executed via the combined bank's expertise in residential lending for single families, as well as multifamily and community development lending and investment that creates affordable housing inventory, particularly through the bank's low-income housing tax credit ("LIHTC") portfolio and partnerships with CDFIs. Utilizing Webster Bank's and Sterling Bank's proprietary products (HOPE and Sterling Start) as well as the government-backed/GSE programs, Webster Bank will leverage the banks' partnerships with housing agencies and nonprofits across New England and New York to ensure that LMI communities have access to secure, affordable housing in which families can live, work and grow.

- **Investing in Small Businesses.** Small businesses are the lifeblood of any community and investing in small business recovery is especially important post-pandemic. To that end, Webster Bank is targeting over $2 billion in small business lending to ensure that commerce can thrive in the places where the combined bank operates. Webster Bank's Community Investment Strategy goes beyond traditional small business lending and intends to set targets for lending to minority- and women-owned small businesses, and businesses that operate in LMI geographies, in order to promote job creation. Additionally, Webster Bank will focus on small businesses with gross annual revenues under $1 million, so that local enterprises can prosper. Further, Webster Bank will support community credit needs by partnering with CDFIs to infuse integral capital into the broadened market area, providing a combination of loans (equity equivalent investments), lines of credit, and grant monies, depending on their individual needs. Webster Bank believes that this innovativeness in small business lending will have a real impact in helping communities recover from the economic harm of the COVID-19 pandemic.

- **Promoting Community Engagement.** Webster Bank and Sterling Bank know that board service is one of the most impactful ways to support promising nonprofits that operate on the front lines of serving their communities. A strong Board of Directors provides the counsel, thought partnership, fiscal prudence and advocacy that community organizations need to thrive. Webster Bank is committed to ensuring that the vast majority of the combined bank's executive team and senior management serve on nonprofit boards throughout its market area. To that end, Webster Bank will create a board matching program that enables colleagues who want to give back to their communities to be matched with nonprofits seeking to grow their Board of Directors.

Additionally, in a continued commitment to combat systemic racism, Webster Bank acknowledges that nonprofits led by people of color are disproportionately underfunded by mainstream philanthropy, mostly due to a lack of access to capital that plagues minority communities, generally. At the suggestion of a national community organization to Webster Bank, the combined bank will continue tracking the percentage of organizations it funds that are led by people of color and use this data to promote greater equity in the combined bank's grant-making activity.

- **Increasing Digital Access.** The combined bank's digital access programs will take two forms. The first is in the form of targeted products and services that are designed to meet the needs of LMI customers, such as offering high-quality, easy to use digital banking platforms that are both accessible for clients and also cost-effective for the combined bank to operate. An example of this is through Sterling Bank's BaaS partnership with BrightFi. An additional example is the offering of a BankOn-certified account (or similar product), which would be promoted in partnership with local nonprofits and could exist on the BrightFi core system.

  The second form of digital access programming includes Sterling Bank's Digital Labs Initiative, which was launched by Sterling Bank in 2020. Digital Labs are sponsored by the bank in partnership with local nonprofits in order to provide hardware, software and digital literacy training for their LMI constituencies. Addressing the digital divide has been a longstanding need in underserved communities, and even more so during and after the pandemic. It is essential that LMI neighborhoods have access to the virtual world, for banking, telehealth, online learning and workforce development. Additionally, through a new partnership with the education tech company EverFi, recently established by Sterling Bank, the combined bank will be able to provide financial literacy programming in its Digital Labs, throughout public schools in the combined bank's market area, and to small businesses seeking technical assistance.

In addition, the combined bank will expand Sterling Bank's existing Community Advisory Council into New England to ensure the combined bank's strategy and actions remain aligned with the needs of the communities. The combined bank will also implement Sterling Bank's new community investment and related initiatives through a minority depository institution partnership to support economic inclusion consistent with the OCC REACh programs.

Prior to submission of the Application, Webster Bank and Sterling Bank each reached out to over 30 community groups across their combined footprint to share the Community Investment Strategy elements and seek their feedback on meeting the needs in local markets. In addition, Webster Bank and Sterling Bank will continue these dialogues during the integration planning prior to the Proposed Transaction.

Additional details on these and other activities of Webster Bank and Sterling Bank to support their communities are provided below.

A. Webster Bank's CRA Performance Record

Webster Bank's CRA performance record demonstrates its firm commitment to serving the credit and other banking needs of all the communities in its CRA assessment areas. As demonstrated below, Webster Bank's outstanding CRA performance includes: active direct mortgage lending to LMI individuals, including through a proprietary mortgage loan program and participation in affordable mortgage loan programs of government agencies and GSEs; a low-cost deposit account product for unbanked or under-banked individuals; a high volume of small loans to small businesses, including to businesses in LMI communities; a significant amount of community development loans, investments and grants; an accessible branch network, including for LMI communities, and useful digital banking services; and a high level of community development services through encouragement of employee volunteerism and other initiatives.

Webster Bank's current CRA activities are managed by the CRA Officer and overseen by a CRA Committee chaired by the Executive Vice President of Retail Banking and Consumer Lending and includes executive and senior managers in key disciplines across the Retail Bank, Commercial Bank, Philanthropy, DE&I and Compliance departments. The primary responsibilities of the CRA Officer and CRA Committee are to establish CRA objectives and initiatives to drive performance, communicate CRA objectives broadly across the company, ensure effective resource allocation, and monitor progress. The CRA Committee reports its findings regularly to the ERMC and Risk Committee of the Board. The Compliance function, reporting to the Chief Risk Officer, has direct responsibility for consolidated reporting, testing, data analysis, regulatory coordination and also has responsibility for providing advisory services to the lines of business. The lines of business have full- and part-time relationship managers and officers with direct responsibility for executing on established community development strategies and engagement, as well as identifying and executing lending and investment opportunities. The Philanthropy group oversees Webster Bank's overall grants and donations program and helps to ensure alignment with CRA efforts and objectives. In summary, Webster Bank's CRA Program seeks to make a tangible impact in the communities it serves and develop strong relationships with local community partners in order to do so.

1. Webster Bank's Most Recent CRA Performance Evaluation

Webster Bank received an overall CRA performance rating of "Outstanding" at its most recent evaluation by the OCC, as of August 3, 2020 (the "WB 2020 Evaluation"). Moreover, Webster Bank achieved an "Outstanding" rating for each of the Lending Test, Investment Test and Service Test in the WB 2020 Evaluation. The evaluation period for home mortgage loans, small loans to businesses and farms, and retail services was the calendar years of 2017 through 2019, and the evaluation period for community development loans, qualified investments and community development services was August 8, 2017 through December 31, 2019 (collectively, the "WB Evaluation Period"). The WB 2020 Evaluation covered Webster Bank's CRA assessment areas in four states – Connecticut, Massachusetts, New York and Rhode Island – and also in the Providence-Warwick RI-MA Multistate Metropolitan Statistical Area ("MMSA").[37]

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[37] In addition to the Providence-Warwick RI-MA MMA, Webster Bank's other individual CRA assessment areas that were evaluated in the WB 2020 Evaluation included: (1) in Connecticut – Bridgeport-Stamford-Norwalk MSA

The OCC reported that it did not identify evidence of discriminatory or other illegal credit practices at Webster Bank. A copy of the WB 2020 Evaluation can be found at https://public.websteronline.com/sites/default/files/documents/2020%20OCC%20Performance%20Evaluation.pdf.

In determining that Webster Bank's CRA performance was "Outstanding," the OCC cited the following findings as major favorable factors concerning Webster Bank's products, programs and services under the different CRA performance tests:

Lending Test

- Webster Bank's lending activity levels reflected excellent responsiveness to community credit needs in all rating areas.

- The geographic distribution of Webster Bank's loans was generally excellent, particularly in the Providence-Warwick RI-MA MMSA and the Hartford MSA.

    - Webster Bank's home mortgage lending in LMI geographies in the Providence-Warwick RI-MA MMSA exceeded the percentage of owner-occupied housing units in low-income geographies, and exceeded the percentage of owner-occupied units and the aggregate distribution of home mortgage loans in moderate-income geographies.

    - In the Hartford MSA, Webster Bank's percentage of home mortgage loans in low-income geographies exceeded the percentage of owner-occupied units in low-income geographies, and was near or approximated the aggregate industry loan distribution in low-income and moderate-income geographies.

    - In Massachusetts, Webster Bank's geographic distribution of home mortgage loans was good, with loans in low-income and moderate-income census tracts exceeding or near the percentage of owner-occupied housing units in those geographies.

    - In New York, the geographic distribution of Webster Bank's home mortgage loans was adequate, given the low percentage of owner-occupied units in LMI census tracts (high percentages of rental and vacant units) and the high cost of housing.

(the "Bridgeport MSA"), the Hartford-East Hartford-Middletown MSA (the "Hartford MSA") and the New Haven-Milford, Norwich-New London MSA (the "New Haven MSA"); and Connecticut Non-MSA; (2) in Massachusetts – the Boston-Cambridge-Newton MSA (the "BC MSA") and the Springfield MSA; and (3) in New York – New York-White Plains-Jersey City Metropolitan District (the "New York MSA"). Webster Bank's CRA assessment area in the New York MSA consists of only a portion of Westchester County, which is in the New York-Jersey City-White Plains Metropolitan District. In 2019, Webster Bank sold its branches in the Springfield MSA and removed that jurisdiction from its CRA assessment areas.

- The borrower distribution of Webster Bank's loans in the Providence-Warwick RI-MA MMSA, the Hartford MSA and the New Haven MSA was generally excellent.
    - In the Providence-Warwick RI-MA MMSA, Webster Bank's home mortgage lending to low-income and moderate-income families exceeded the aggregate industry distribution of loans to such families and exceeded the percentage of moderate-income families.
    - Webster Bank's distribution of home mortgage loans to LMI borrowers was generally excellent in the Hartford MSA and the New Haven MSA, as demonstrated by the percentage of Webster Bank's home mortgage loans to low-income borrowers exceeding the industry distribution of loans to those borrowers and the percentage of moderate-income families in those MSAs.[38]
- The geographic distribution of small loans to businesses, including loans to businesses in LMI geographies, was generally excellent.
    - In the Bridgeport, Hartford and New Haven MSAs, Webster Bank's geographic distribution of small loans to businesses was excellent, as demonstrated by the percentage of loans in low-income census tracts exceeding the percentage of businesses and the aggregate industry distribution of such loans in those geographies.
    - In the Providence-Warwick RI-MA MMSA, Webster Bank's percentage of small loans to businesses in LMI geographies exceeded the percentage of businesses and the aggregate industry distribution of such loans in LMI geographies.
    - Webster Bank's geographic distribution of small loans to businesses in the State of Massachusetts was excellent, with Webster Bank's loans to businesses in LMI geographies exceeding both the percentage of businesses and the aggregate industry loan distribution to businesses in those geographies.
    - In the New York MSA, Webster Bank's percentage of small loans to businesses in LMI census tracts exceeded the percentages of businesses and the aggregate loan distribution to businesses in those geographies.
- The distribution of small loans to businesses of different sizes was generally good or excellent.
    - In the Bridgeport, Hartford and New Haven MSAs, Webster Bank's percentage of small loans to businesses with gross annual revenues of

[38] The OCC noted that it gave consideration to the fact that the cost of home ownership in Connecticut was not affordable to low-income borrowers in the Bridgeport MSA, the Hartford MSA and the New Haven MSA and to moderate-income borrowers in the Bridgeport MSA.

$1 million or less exceeded the aggregate industry distribution of loans to those businesses.

  - In the Providence-Warwick RI-MA MMSA, Webster Bank's percentage of loans to businesses with gross annual revenues of $1 million or less exceeded the aggregate industry distribution of loans to those businesses.

  - Although Webster Bank's percentage of loans to businesses with revenues of less than $1 million in its Massachusetts CRA assessment areas was below the percentage of those businesses, it exceeded the aggregate industry distribution of loans to those borrowers.

  - In New York, the borrower distribution of small loans to businesses was good, with Webster Bank's percentage of loans to businesses with gross annual revenues of less than $1 million exceeding the aggregate industry distribution of loans to those businesses.

- Webster Bank originated a significant amount of innovative and flexible lending products to help home mortgage borrowers.

  - Webster Bank implemented a proprietary flexible loan program to assist first-time LMI borrowers obtain home mortgage financing, the "HOPE" program, which uses non-traditional underwriting standards. During the WB Evaluation Period, Webster Bank made HOPE loans totaling: (1) $5.2 million in the Providence-Warwick RI-MA MMSA; and (2) $1.9 million in the Bridgeport, Hartford and New Haven MSAs.

  - Webster Bank uses a variety of federal programs to assist LMI home loan borrowers and facilitate home mortgage lending in LMI geographies, including programs of the Federal Housing Administration (the "FHA") and the Fannie Mae HomeReady.

  - Webster Bank offers a variety of state home loan programs that assist LMI borrowers, including programs sponsored by the Connecticut Housing Authority, Massachusetts Housing Finance Authority, the Rhode Island Housing Finance Authority and the State of New York.

  - Webster Bank's broad offering of small business loan programs, including SBA programs, assists in meeting the credit needs of small businesses.

- Webster Bank's high level of community development lending activity had a positive impact on its overall Lending Test rating.

  - During the WB Evaluation Period, Webster Bank's community development loans totaled:

    - $15.2 million, $36.8 million and $32.3 million in the Bridgeport MSA, Hartford MSA and New Haven MSA, respectively.

        - $14.5 million in the Providence-Warwick RI-MA MMSA.

        - $34 million in Massachusetts.

        - $39.9 million in the New York MSA and greater statewide area of New York.

    - Webster Bank is a leader in providing community development loans in New York.

    - Webster Bank focused its community development lending on: economic development and community service needs in the Hartford MSA and Providence-Warwick RI-MA MMSA; affordable housing in the Bridgeport and New Haven MSAs; affordable housing and community service needs in Massachusetts; and economic development and affordable housing in New York.

- Examples of Webster Bank's leadership in community development lending during the WB Evaluation Period include:

    - A $16.4 million loan to a skilled nursing facility in New York that primarily serves LMI individuals.

    - A $10.9 million community service loan to a skilled nursing home in a moderate-income census tract in the Hartford MSA, which primarily serves LMI individuals.

    - A $10.7 million loan for affordable housing on a project that received LIHTCs in the New Haven MSA.

    - A $10.0 million loan to fund a Boston-based CDFI that provides financing for affordable housing.

    - A $7.0 million loan to a renewable energy program that supported economic development to LMI and distressed communities in the Hartford MSA.

    - A $6.7 million loan to fund the construction of a 27-unit apartment building with all units designated as affordable housing in the BC MSA.

    - A $3.0 million participation loan to developers who are building affordable housing units in the Bridgeport MSA.

    - A $2.3 million loan to a community health center in a low-income census tract in the Providence-Warwick RI-MA MMSA that primarily serves the LMI community.

    - A \$2.0 million loan to purchase a commercial building for a business that provides testing and tutoring to LMI students and individuals seeking job skills.

- Webster Bank originated and purchased a high percentage of loans (88.7%) in its CRA assessment areas.

Investment Test

- Webster Bank had an excellent level of qualified investments and grants, which demonstrated good responsiveness to identified community needs, including in its CRA assessment areas in the Providence-Warwick RI-MA MMSA, Connecticut, Massachusetts and New York.

- In its qualified investments, Webster Bank often took a leadership position, particularly in those that are not routinely provided by private investors.

- During the WB Evaluation Period, Webster Bank's new qualified investments and grants included: \$18.9 million in investments and \$351,000 in grants in the Providence-Warwick RI-MA MMSA; \$124.4 million in investments and \$2.6 million in grants in Connecticut; \$42.1 million in investments and \$505,000 in grants in Massachusetts; and \$2.5 million in investments and \$260,000 in grants in the New York MSA.

    - These investments were particularly responsive to affordable housing needs in the Providence-Warwick RI-MA MMSA, Connecticut, Massachusetts and New York.

    - These grants were also particularly responsive to community service needs, including, for example, to organizations engaged in providing food banks and affordable housing homebuyer programs.

- Examples of Webster Bank's qualified investments during the WB Evaluation Period included:

    - Investments of \$18.9 million, \$14.5 million and \$6.4 million in mortgage-backed securities("MBS"), with the underlying loans made to LMI borrowers, in the Providence-Warwick RI-MA MMSA, Connecticut and Massachusetts, respectively.

    - An \$8.9 million investment, multiple investments totaling \$21.9 million, multiple investments totaling \$22.5 million, and an investment of \$1.9 million in Ginnie Mae affordable housing project loan funds in the Hartford MSA, the New Haven MSA, Massachusetts and New York, respectively.

    - Investments in LIHTC funds, including \$6.6 million in the Harford MSA and \$10.6 million in the New Haven MSA.

Service Test

- Webster Bank's branches and alternative delivery systems were accessible to geographies and individuals of different income levels across its CRA assessment areas in the Providence-Warwick RI-MA MMSA and Connecticut, and reasonably accessible to geographies and individuals of different income levels in its CRA assessment areas in Massachusetts and New York.

- Webster Bank's alternative delivery systems are readily accessible to all individuals residing in its CRA assessment areas, as demonstrated by the usage data of such alternative delivery systems by customers in LMI geographies. The alternative delivery systems of Webster Bank include: debit cards and ATMs, no cost telephone and online banking, online bill paying and mobile banking options.

- Webster Bank offers an "Opportunity Checking Account" product focused on unbanked or under-banked consumers who are ineligible to open traditional checking accounts due to negative results of past banking relationships.

- Webster Bank services that help LMI individuals across its CRA assessment areas include the bank's waiver of electronic benefit transfer fees for state assistance programs at Webster Bank's ATMs and the cashing of all local, state and federal government checks. These beneficial services are provided for customers and non-customers alike.

- Webster Bank conducted or supported a significant level of community development services across its CRA assessment areas. During the WB Evaluation Period, Webster Bank employees provided more than 10,200 volunteer hours to nonprofit organizations providing basic health, financial literacy training and other services to LMI persons; assisting LMI families with affordable housing; and facilitating economic development opportunities for small businesses.

- Webster Bank is a leader in providing community development services, particularly in Connecticut.

- Webster Bank representatives conducted approximately 194 financial education events focused on LMI residents and small businesses, with almost 4,200 attendees. These events covered topics such as basic banking concepts, enhanced financial literacy skills, homebuying, prevention of elder financial abuse and SBA financing.

- Webster Bank management and employees served on boards or committees of, and/or provided voluntary services to, many community development organizations throughout its CRA assessment areas. Examples of organizations to which Webster Bank provided such community development services included those that: (1) provide affordable housing loans, educational grants and assistance to Rhode Island residents to find, rent, buy, remediate and retain a good home; (2) serve the recreational, educational and social needs of LMI families, particularly those in inner-city Bridgeport, Connecticut; (3) provide educational opportunities for LMI children in Waterbury; (4) broaden access to affordable housing, energy efficiency and job opportunities for underserved communities; (5) assist LMI individuals in preparing their tax filings; (6 provide services to small family businesses in New York by providing educational programming and a forum for such businesses to collaboratively exchange knowledge and experience; (7) provide financial resources to low-income areas to help create and support affordable housing and services, such as childcare centers in the New York metropolitan area; and (8) provide SBA below-market interest rate loans and long-term capital to small businesses in New York.

2. <u>Webster Bank's CRA Activities Since the WB 2020 Evaluation</u>

Since the WB 2020 Evaluation, Webster Bank has continued its substantial support of its local communities, including LMI individuals, families and neighborhoods and small businesses. As an overview across its CRA assessment areas during 2020, Webster Bank: (1) originated or purchased home mortgage loans totaling approximately \$1.94 billion, including loans totaling \$160.84 million to LMI borrowers and totaling \$163.56 million in LMI geographies; (2) made small loans to businesses (including PPP loans) totaling approximately \$1.15 billion, including loans totaling approximately \$306 million in amounts of less than \$100,000 and loans totaling over \$320 million to businesses in LMI census tracts; (3) made community development loans totaling approximately \$330.6 million, including PPP loans, and approximately \$29.1 million excluding PPP loans; and (4) made qualified investments and grants totaling over \$445 million. In addition, Webster Bank employees conducted 21 community development educational activity events and served 61 community development organizations through volunteer service on their boards or committees or by providing financial expertise, resulting in over 3,410 volunteer community development hours within Webster Bank's local communities during 2020.

Webster Bank continues to provide various products to help first-time and LMI homebuyers secure affordable mortgage loans, small businesses to gain needed financing, and consumers to obtain low-cost consumer products. In addition, Webster Bank continues to offer a variety of innovative community development lending, investment and grant activities to support affordable housing, economically develop LMI and distressed communities, and provide community services to LMI families and other underserved individuals in its CRA assessment areas. Webster Bank also continues to provide a wide range of deposit account services to consumers, including for banked or under-banked individuals and small businesses, through traditional and innovative digital delivery systems, to fulfill their banking needs.

Home Mortgage

Webster Bank offers home loan borrowers an active home mortgage loan origination program. During 2020 through first quarter 2021, Webster Bank has originated or purchased home mortgage loans aggregating more than \$2.4 billion in its CRA assessment areas. This total home mortgage loan total includes loans to LMI individuals aggregating more than \$211.0 million and loans in LMI census tract aggregating more than \$193.0 million.

Webster Bank offers a wide range of products to help first-time and LMI buyers achieve their dream of home ownership. As noted, Webster Bank offers its proprietary HOPE home loan program, which offers more flexibility in underwriting compared to conventional and government financing. Features may include: higher income eligibility (up to 100% of AMI); lower borrower contribution; allowance for non-traditional credit history; discounted interest rate and up to 97% financing. This product brings home ownership affordability and sustainability to more customers. During 2020 through first quarter 2021, Webster Bank originated 38 HOPE loans totaling $3.63 million.

In addition, Webster Bank continues to offer affordable mortgage programs of government agencies or the GSEs, including: FHA loans; Fannie Mae HomeReady; and MyCommunity Mortgage programs. As noted, Webster Bank also participates in a number of affordable home loan programs of state agencies, including: the CHFA, the MHFA and SONYMA. Moreover, Webster Bank also participates in various downpayment/closing cost assistance programs, including those of the CHFA, the State of New York, the City of Providence, the City of Boston, Housing Development Funds and the Massachusetts Housing Finance Equity Builder Program.

Webster Bank's Mortgage Banking Officer team engages with the community to create opportunities to increase lending to LMI families through several options, including among others:

- Hosting first-time homebuyer or financial literacy classes (in person or virtual) in Webster Bank's Retail Banking Centers (branches) and/or with local businesses located in LMI communities.

- Partnering with area non-profit housing agencies to participate in first-time homebuyer or financial literacy classes (in person or virtual) and educating local non-profit housing agencies on available LMI financing solutions.

- Fostering relationships with local affordable housing non-profit agencies, local municipalities, or local businesses to share information and help to identify LMI and/or HMG potential lending opportunities.

- Educating local Realtors and Realtor agencies on available LMI financing solutions.

Small Business Lending

For small businesses, Webster Bank offers a variety of lending solutions, including the full range of SBA-guaranteed loan programs. As an SBA Preferred Lender throughout Connecticut, Massachusetts, Rhode Island and New York, Webster Bank can offer expedited SBA loan processing. Webster Bank has a long history of superior SBA lending service and was honored with numerous SBA Eagle Awards during the last five years, including: Top SBA Lender in New England in 2018 and 2019; Top SBA 504 Lender by Volume in 2016, 2017, 2018 and 2019; Top Lender to Minorities in 2019; Top Lender to Women in 2016 and 2019; Top 7a Lender by Volume in 2019 and by Dollars in 2018; 7(a) Lender of the Year in 2020; SBA 504 3rd Party Lender of the Year in 2020; and Top 100 SBA lender nationwide in 2018, 2019 and 2020.

In addition to its long history assisting small businesses through SBA programs, Webster Bank has provided funding, assistance to, and has developed strong partnerships with, many organizations across its footprint, such as Women's Business Development Council; Business Development Company of Rhode Island; Fall River Office of Economic Development; and Lehman College Small Business Development Center (Bronx) to help support small businesses.

During 2020 through first quarter 2021, Webster Bank originated: (1) loans to small businesses aggregating more than $441.0 million; (2) small loans to small businesses in amounts of $100,000 or less aggregating more than $77.0 million; and (3) loans to small businesses in LMI census tracts aggregating more than $131.0 million. These amounts do not include the substantial number of PPP loans that Webster Bank provided eligible small businesses during the COVID-19 pandemic in 2020 and in the first quarter of 2021, which are discussed below.

Community Development Finance

Webster Bank has remained committed to supporting affordable housing, community services, community revitalization and economic development throughout its footprint since the WB 2020 CRA Evaluation. Through its community development activities, Webster Bank provides financing to public and private developers to build and rehabilitate affordable rental and for-sale housing. Webster Bank also assists nonprofit organizations with financing to support their affordable housing, community services and neighborhood revitalization missions. In addition, Webster Bank works closely with CDFIs, other community development organizations and various government organizations throughout its CRA assessment areas.

Webster Bank's Community Development Officer (the "CDO") maintains close working relationships with numerous CDFIs and developers of affordable housing across its four-state CRA footprint by actively participating on various boards and committees and conducting outreach through phone calls and virtual meetings during the pandemic.

Providing both debt and equity for affordable housing has involved the CDO, along with other Webster Bank personnel, working closely with LIHTC credit syndicators and Webster Bank's middle-market commercial bankers in proactively seeking community development financing transactions.

Since the WB 2020 Evaluation, Webster Bank has continued its high level of community development lending, before and during the pandemic. During 2020 through first quarter 2021, Webster Bank provided 160 community development loans totaling $340.0 million in its CRA assessment areas. In addition, Webster Bank provided $31.8 million in community development loans in a broader state or regional area.

Examples of Webster Bank's community development lending since the Evaluation Period of the WB 2020 Evaluation include:

- A $4.6 million loan in Providence, Rhode Island, to finance the purchase of property and equipment to build a production facility and brew pub, promoting economic development and job creation.

- A $2.7 million line of credit to a non-profit organization in Waterbury, Connecticut, that provides permanent mortgages for affordable housing in 2-4 unit buildings.

- A $50.5 million loan in Norwalk, Connecticut, to finance the construction of an apartment complex, of which 10% (30 units) are designated as affordable housing units.

- A $1.3 million SBA 504 loan to purchase an owner-occupied warehouse in New Rochelle, New York.

Webster Bank also has continued its excellent record of CRA-qualified investment and grant activity since the WB 2020 Evaluation. During 2020 and first quarter 2021, Webster Bank provided qualified investments totaling $546.4 million across its CRA assessment areas. In 2020, Webster Bank also provided CRA-eligible grants totaling $2.27 million across its CRA assessment areas.

Examples of Webster Bank's qualified investments and grants since the WB 2020 CRA Evaluation include:

- A $100,000 donation in Bridgeport, Connecticut, as part of a $1 million Equity Match Grant Program, promoting economic prosperity through micro-loans to women-owned and minority-owned small businesses.

- A $75,000 nationwide donation to Equal Justice Initiative in support of criminal justice reform and racial justice.

- A $45.8 million Ginnie Mae investment in Boston, Massachusetts, supporting an affordable housing project consisting of 500 units, all of which are affordable housing units.

- A $12.8 million Ginnie Mae investment in Stamford, Connecticut, supporting an affordable housing complex containing 76 affordable housing units.

Banking and Community Development Services

Banking Services. Webster Bank provides its banking services through branches and ATMs, as well as by telephone, online and mobile app. As of June 1, 2021, Webster Bank has a total of 130 branches, of which 33 (or 25.4%) are in LMI census tracts and another 31 (or 23.8%) are adjacent (within 1 mile) to LMI census tracts.

Webster Bank has invested significantly in digital banking delivery systems and resources. Webster Bank provides its consumer and small business customers a robust set of digital experiences to complement its Banking Center and Call Center channels.

- In 2020, Webster Bank launched a new reimagined website, WebsterBank.com, which provides customers a more intuitive, faster and engaging experience to access their accounts, explore additional products and services and get help or find a Webster Bank banking center.

- Consumer and small business customers can apply online for deposits and lending products or they can submit a form for Webster Bank to follow up directly with the customer.

- Online banking and mobile banking experiences for self-service access enable consumer and small business customers to review their account balances, transaction activity, transfer funds (internal and external), pay bills, deposit checks (mobile banking only) and perform other self-service tasks (*e.g.*, address change, order checks, stop a payment, report a lost or stolen debit card, etc.).

Webster Bank continues to invest in its digital offerings to enhance the online account opening and servicing experiences to meet and exceed its customers' expectations.

To help serve the needs of unbanked or under-banked individuals, Webster Bank continues to offer low-cost deposit and other consumer products that enable inclusive banking and help empower its customers to manage effectively their financial resources, including the Opportunity Checking Account, discussed above, which is a "second chance" product for customers who do not qualify for traditional bank accounts. This product is an account solution targeted to the needs of unbanked consumers who are ineligible to open traditional checking, helping them re-establish themselves as banking customers and helping to provide them financial stability. The account offers a low minimum opening balance, low service charge and access to regular banking services, including direct deposit, check writing, ATM cards and online banking.

Other Webster Bank accounts and banking services designed for LMI, unbanked/ underbanked individuals include:

- The Webster Bank Power program, discussed above, which includes a free WebsterOne Checking Account for unbanked or under-banked LMI individuals who have completed a financial education workshop offered by Webster Bank or a HUD-certified housing counseling agency.

- The Webster Bank-branded secured credit card with a corresponding secured savings account to help LMI individuals build and/or repair credit. This product has recently been introduced in Boston as part of the "Boston Builds Credit" program, managed by the Mayor's Office of Workforce Development and the Office of Financial Empowerment.

Community Development Service. Webster Bank has also continued its high level of community development service activity since the WB 2020 Evaluation. Webster Bank employees are encouraged to provide volunteer services to community organizations. Giving back to the community and helping others is the cornerstone upon which Webster Bank was built and is clearly evidenced by the manner in which Webster Bank operates more than 85 years later. Continuing in that spirit, Webster Bank offers 16 hours annually of paid time away to each employee to participate in volunteer activities within their local community.

Additionally, in 2018 Webster Bank established a Volunteer Recognition Grant Program to further encourage and recognize Webster Bank employees as good stewards within its communities and help support qualified nonprofit organizations with micro-grant awards ranging from $100 to $250.

Financial education has remained a key component of Webster Bank's community service activity. Throughout its CRA assessment areas, Webster Bank has provided more than 26 financial education classes (primarily virtual instruction) during 2020 through first quarter 2021. This financial education instruction has covered topics such as: financial literacy; first-time homebuyer education; elder financial exploitation prevention; and entrepreneurial education, such as WBDC's Monday Morning Reboot and SBA's Boots to Business. Separately, Webster Bank has continued to annually support its Financial Empowerment Program, which began in 2019. This program provides grants to nonprofit organizations at the forefront of addressing financial literacy for LMI residents in their communities. Annually, Webster Bank donates $100,000 to its Financial Empowerment Program to help support Financial Literacy programs of partner organizations across its footprint.

Employees of Webster Bank have also continued their active community service on boards and committees of community organizations throughout Webster Bank's CRA assessment areas. During 2020, Webster Bank employees served as board/committee/advisory members for over 60 community organizations, totaling over 3,300 volunteer community service hours.

Through this community organization board/committee service, the employees share their highly valued skills and support in areas ranging from data analysis to strategic planning for organizations. Examples of such organizations include:

- <u>CT Council for Philanthropy ("CCP")</u> – an association of grant makers committed to promoting and supporting effective philanthropy for the public good. The Connecticut Council for Philanthropy has played a significant role as the catalyst and aggregator of matching funds from the private sector for the Working Cities Challenge. Webster Bank currently has a senior leader holding board/committee/ advisory positions with CCP.

- <u>Harold Webster Smith Foundation ("HWSF")</u> – a foundation established in 1988 in memory of Webster Bank's founder and long-time advocate for the City of Waterbury, Connecticut. The Foundation makes grants in support of activities, particularly in the Waterbury region, that improve and promote economic development and community health; stabilize and revitalize LMI communities, with a particular focus on local housing initiatives; provide community services targeted to LMI individuals; and ensure the future prosperity of, and contribute to the economic well-being of the communities Webster Bank serves, with special attention to the greater Waterbury region. Webster Bank currently has two senior leaders holding board/committee/advisory positions with the HWSF.

- <u>Junior Achievement ("JA")</u> – the nation's largest organization dedicated to giving young people the knowledge and skills they need to own their economic success, plan for their futures, and make smart academic and economic choices. JA's programs focus on areas of work readiness, entrepreneurship and financial literacy to help young people gain valuable experience and realize the opportunities and realities of working and living in the 21st century. Webster Bank currently has five senior leaders holding board/committee/advisory positions in JA organizations across New England.

- Local Initiatives Support Corporation ("LISC") – a nonprofit organization committed to building strong neighborhoods and healthy communities where individuals, businesses and families can thrive through the organization's key strategies – investing in businesses, real estate/housing and community infrastructure to catalyze economic, health, safety and educational mobility to increase family income and wealth; stimulating economic development; improving access to quality education; and supporting healthy communities and lifestyles. Webster Bank has had a long standing partnership with LISC (CT and RI) and currently has a senior banker holding a board/committee/advisory position with LISC - CT.

- Neighborhood Housing Services ("NHS") – a non-profit housing organization that provides financial assistance, technical support and housing-related services to underserved neighborhoods. NHS's mission is to revitalize and stabilize neighborhoods where diverse individuals can live, work, grow and prosper. Originally created to assist existing homeowners in making repairs and improving their homes, NHS's mission has broadened over the years to meet the demands of social, economic and cultural change. Webster Bank has had a long standing partnership with NHS [New Haven and Waterbury] and currently has a senior banker holding a board/committee/advisory position with NHS – New Haven.

- United Way – Webster Bank's primary charity that improves lives by mobilizing the caring power of communities, with a focus on education, income and health which are the essential building blocks for a good quality of life. As Webster Bank's primary philanthropic organization, there are currently eight senior bankers holding board/committee/advisory positions with United Way chapters across its four-state footprint.

Webster Bank COVID-19 Pandemic Relief

Webster Bank has taken multiple actions to assist its customers and communities in addressing their critical needs during the COVID-19 pandemic in 2020 and year-to-date 2021. Webster Bank has provided relief to more than 5,075 consumer and small business accounts, which include loan extensions, deferrals, partial payments and forbearance across various lending segments, including: home lending, personal lending and small business. Webster Bank halted consumer real estate foreclosures, and helped companies through deferred loan payments and covenant modifications. At the height of the pandemic, Webster Bank had provided more than $2.0 billion in pandemic-related loan deferral relief.

As noted, Webster Bank has provided approximately $2.0 billion in financing for more than 18,000 loans through the SBA PPP program since its inception. Additionally, Webster Bank extended nearly $42.0 million of credit to other corporate or institutional borrowers to help fund liquidity needs through the Main Street Lending Program administered by the Boston Reserve Bank.

Webster Bank's response to the high demand for PPP loans during the COVID-19 pandemic highlights its ability to support small businesses in communities across its footprint. Of the more than 18,000 PPP loans that Webster Bank processed, registered and funded during 2020 and first quarter of 2021:

- Approximately 98% were to businesses – including nonprofits, sole proprietors and independent contractors – with less than $5 million in annual payroll, including 90% to businesses with annual payrolls of $1 million or less.

- Approximately 79% were for loan amounts of less than $100,000, and 65% were for loan amounts of less than $50,000.

- Approximately 99% were made to businesses in the four-state banking center footprint of Connecticut, Massachusetts, Rhode Island and New York, with 73% of the loans to businesses headquartered in Connecticut, 12% in Massachusetts, 7% in New York and 6% in Rhode Island.

- For the approximately 5,800 second-draw loans, 17% were made to women-owned businesses and 13% were made to minority-owned businesses.

B. Sterling Bank's CRA Performance Record

Sterling Bank highly prioritizes CRA compliance as part of its ongoing support of affordable housing opportunities, small business financing, economic development and neighborhood revitalization in the communities it serves in the greater New York City metropolitan area. Sterling Bank specializes in the delivery of products and services to business owners, their families and consumers through a team-based relationship management strategy.

The CRA function at Sterling is within the Corporate Bank, under the purview of the Corporate Bank President. The Executive Managing Director, Verticals & Support, who presides over the 4 person CRA team (led by the Senior Managing Director, CRA Administration) and all its activities reports directly to the Corporate Bank President. Additionally, there is a CRA Committee, which meets quarterly, led by the Senior Managing Director, CRA Administration, and includes the Chief Risk Officer, Chief Compliance Officer, Consumer Bank President, and other executives and senior managers across key functions. The CRA Committee reviews CRA strategies and quarterly progress against goals, and reports its findings regularly into the Management Enterprise Risk Committee and the Enterprise Risk Committee of Sterling Bancorp's Board of Directors.

Since acquiring Astoria Financial Corporation and its subsidiary bank, Astoria Bank, in 2017, Sterling Bank has executed a strategy to increase the proportion of commercial loans to total portfolio loans. Although Sterling Bank has curtailed its general residential mortgage lending originations and purchases, Sterling Bank has focused its CRA activities to provide meaningful and tangible community impact, particularly through its community development and multi-family lending activities and community development investment and service activities.

To assist in identifying the banking and credit needs of the LMI communities it serves, Sterling Bank works with its CRA Advisory Council, which consists of 10 nonprofit organizations (CDFIs, community development corporations and other community organizations) representing Sterling Bank's New York City, Long Island, Hudson Valley and New Jersey markets. The CRA Advisory Council meets at least four times a year to discuss LMI community needs in such markets.

In addition, Sterling Bank has formed a South Bronx Working Group with five Bronx-based community organizations to learn how Sterling Bank can best reinvest in the community. Through participation in the South Bronx Working Group, Sterling Bank can better ascertain the credit and investment needs in the community on an ongoing basis.

1. Sterling Bank's Most Recent CRA Performance Evaluation

Sterling Bank received an overall CRA performance rating of "Satisfactory" from the OCC in its most recent CRA performance evaluation as of April 20, 2020 (the "SB 2020 Evaluation"). In the SB 2020 Evaluation, Sterling Bank received an "Outstanding" rating under the Investment Test, a "High Satisfactory" rating under the Lending Test and a "Low Satisfactory" rating under the Service Test. The OCC reported that it did not identify evidence of discriminatory or other illegal credit practices at Sterling Bank that required consideration in the SB 2020 Evaluation. A copy of the SB 2020 Evaluation can be found at https://www.snb.com/wp-content/uploads/2021/02/SNB_cra_performance_evaluation_2020.pdf.

The evaluation periods in the SB 2020 Evaluation were: (1) January 1, 2017 through December 31, 2019, for home mortgage lending reported under the Home Mortgage Disclosure Act and loans to small businesses reported under the CRA; and (2) January 22, 2017 through December 31, 2019, for community development loans, investments and services. The SB 2020 Evaluation covered Sterling Bank's CRA assessment areas in: (1) the New York Combined Statistical Area ("CSA"), including the full counties of Bronx, Kings, Nassau, Orange, Putnam, Queens, Rockland, Suffolk, Ulster and Westchester Counties in New York, and Bergen County in New Jersey; and (2) Sullivan County, a New York non-MSA.

In determining that Sterling Bank's overall CRA performance was "Satisfactory," the OCC cited the following findings as major factors concerning Sterling Bank's lending products and programs and Sterling Bank's community development lending, investment and service activities.

Investment Test

- Sterling Bank's high level of qualified investments and grants demonstrated excellent responsiveness to the credit and economic development needs of its CRA assessment areas.

- Sterling Bank makes significant use of innovative and/or complex investments to support community development initiatives.

- Sterling Bank uses LIHTC investments in affordable multifamily rental housing projects throughout its CRA assessment areas. For example, Sterling Bank invested in 21 LIHTC projects during the SB Evaluation Period, totaling $293.2 million; 17 of them demonstrated complexity in that the bank provided both debt and equity to the project.

- Examples of Sterling Bank's qualified investments during the SB Evaluation Period include:

    - Investments totaling $93.3 million in MBS in which the underlying mortgages are primarily to LMI borrowers within Sterling Bank's New York CSA assessment area.

    - A $4 million investment in NYC Housing Development Corporation bond to finance affordable housing development.

    - A $4 million investment in the NY Housing Opportunity Fund III, a multi-investor fund supporting affordable housing.

    - Five qualified investments totaling $83.3 million in the broader statewide or regional area.

Lending Test

- Sterling Bank offers an affordable mortgage product to LMI borrowers throughout its market area, with beneficial features that include no private mortgage insurance requirement, a lower acceptable credit score, non-traditional credit acceptance, and down payment assistance and closing cost-related grants.

- To assist LMI homebuyers, Sterling Bank also originates loans through statewide programs offered in New York, including SONYMA, the Federal Home Loan Bank of New York's ("FHLBNY's") Homebuyer Dream retail loan programs.

- Sterling Bank's overall lending levels in its New York CSA assessment area reflect adequate responsiveness to the credit needs in its CRA assessment areas.[39]

- The geographic distribution of Sterling Bank's home mortgage loans and small loans to businesses in LMI geographies in the New York CSA assessment area was adequate.

    - The proportion of Sterling Bank's home mortgage loans in LMI geographies exceeded both the proportion of owner-occupied housing and the aggregate industry distribution of home mortgage loans in those geographies.

[39] The OCC noted that the very high cost of housing in the New York CSA limited access to affordable home ownership among LMI borrowers.

  - Although Sterling Bank's proportion of small loans to businesses in low-income geographies was below the proportion of businesses and the aggregate industry distribution of small business loans in those geographies, Sterling Bank's small business lending in moderate-income geographies exceeded both the proportion of business and the aggregate industry distribution of loans in such geographies.

- The distribution of Sterling Bank's home mortgage loans among individuals and businesses of different income levels in the New York CSA was poor.

- Sterling Bank is a leader in making community development loans in its New York CSA assessment areas.

  - Sterling Bank's excellent level of community development loans exhibited excellent responsiveness to its CRA assessment area's credit needs, and positively impacted its Lending Test performance.

  - During the SB Evaluation Period, Sterling Bank originated or participated in community development loans to 57 entities, with an aggregate total of $844 million.

- Examples of Sterling Bank's beneficial community development loans include:

  - A $17 million loan that financed 83 affordable one-bedroom and studio units in the Bronx.

  - Financing for the construction of a 75-unit affordable housing residential rental complex for LMI individuals in Suffolk County (with 63 units set aside for households earning between 30% to 60% of the area median income, including eight units set aside for the section 8 rental assistance program).

  - A $6.3 million loan (and a $10.6 million LIHTC investment) for the first phase of an affordable housing development project in Sullivan County, in which 37 units will be set aside for low-income persons with disabilities and mental illnesses.

- A substantial majority of Sterling Bank's loans were in its CRA assessment areas.

Service Test

- Sterling Bank's service delivery systems were reasonably accessible to LMI residents.

  - Of Sterling Bank's 80 branches as of the SB 2020 Evaluation, four branches were in low-income geographies and 12 were in moderate-income geographies, and six branches in higher income areas near LMI areas served the residents of those LMI areas.

    - Sterling Bank supplements its retail branch services with alternative retail delivery systems, including deposit-taking ATMs, telephone banking, mobile banking, online banking and digital payment systems. Sterling Bank's data demonstrated that accountholders in LMI geographies where Sterling Bank has branches use digital banking services ranging from 43% to 64% of customer households.

- Sterling Bank's community development service activity was effective and responsive in helping address community needs and positively impacted its Service Test performance rating.

- Sterling Bank conducted a high level of community development services in its CRA assessment areas. Nearly 200 employees provided more than 7,250 community development service hours to 126 different community development organizations during the SB Evaluation Period.

    - Examples of Sterling Bank's community development services include a significant level of financial education targeted to LMI students and support for programs fostering affordable housing and economic development for small businesses.

    - Sterling Bank also sponsored 13 FHLBNY Affordable Housing Program applications for community organizations in its CRA assessment areas, including five that were awarded funding under the program.

    - Sterling Bank employees also provided 530 volunteer hours in support of CDFIs, including by serving on their boards or committees. The CDFIs finance affordable housing development and homebuyer education, provide loans and business training to support entrepreneurs, finance neighborhood revitalization projects and support disability-focused development.

2. **Sterling Bank's CRA Activities Since the SB 2020 Evaluation**

Since the SB 2020 Evaluation, Sterling Bank has continued its significant support of the local communities and small businesses in its CRA assessment areas, including for LMI communities. As an overview of its CRA activity in its CRA assessment areas since the SB 2020 Evaluation, in 2020 Sterling Bank: (1) originated or purchased home mortgage loans to LMI borrowers totaling $7.3 million; (2) made 407 small loans to businesses (not including PPP loans) totaling approximately $51 million, including 314 loans (or 77%), totaling approximately $152.3 million in amounts of less than $100,000, and loans totaling $3.43 million to businesses in LMI census tracts; (3) made community development loans totaling approximately $558.0 million; and (4) made qualified investments and grants totaling almost $86.7 million. In addition, Sterling Bank employees engaged in approximately 20 Sterling Bank-sponsored community development service events during 2020, conducted both in-person and virtually, and over 4,600 confirmed volunteer hours within their local communities.

Despite the ongoing COVID-19 pandemic, Sterling Bank continued to provide meaningful and tangible community benefits, particularly through its community development and multi-family lending activities. During 2020, Sterling Bank provided over $558.0 million in financing for projects ranging in scope from charter schools, homeless shelters and nursing homes, as well as multifamily housing that directly financed 1,646 units of affordable housing.

Home Mortgage Lending

Sterling Bank sold its residential mortgage business in 2016, and has since focused its mortgage originations and purchases on loans to LMI individuals and on properties in LMI communities. In 2020, Sterling Bank made a strategic decision to discontinue, at least temporarily, its practice of purchasing home mortgage loans on the secondary market. Concurrently, Sterling Bank improved its "Sterling Start" affordable mortgage product by reducing the interest rate, increasing grant monies for down payment and closing cost assistance, and removing certain restrictions to make the product more competitive and compelling for LMI borrowers. However, given market conditions created by the COVID-19 pandemic, Sterling Bank's home mortgage lending activity in 2020 was nominal and totaled only 52 home loans with a $9.9 million aggregate total. This total included home loans totaling approximately $7.3 million (or 74%) to LMI individuals. As discussed below, Sterling Bank is instead focusing on its core competency – creating affordable housing in Sterling Bank's CRA assessment areas through its expertise in community development lending and investments.

Small Business Lending

For small businesses, Sterling Bank offers a variety of lending solutions, including small business loans and lines of credit. As discussed below, in 2020 Sterling Bank also actively participated in originating and funding loans to small businesses under the PPP to help address small business hardships resulting from the COVID-19 pandemic.

During 2020, Sterling Bank originated: (1) 3,571 loans to small businesses aggregating more than $380 million; (2) 2,640 loans (or 74%) to businesses in amounts of $100,000 or less, aggregating more than $91 million; and (3) loans to businesses in LMI census tracts aggregating more than $65 million. These amounts include the substantial number of PPP loans that Sterling Bank provided to eligible small businesses during the COVID-19 pandemic in 2020.

Community Development Finance

Sterling Bank has remained committed to supporting affordable housing, community services, community revitalization and economic development throughout its footprint since the SB 2020 CRA Evaluation. Through its community development activities, Sterling Bank provides financing to public and private developers to build and rehabilitate affordable rental and for-sale multifamily housing. Sterling Bank also assists CDFIs and nonprofit organizations with financing to support their affordable housing, economic development and community revitalization missions.

Since the SB 2020 Evaluation, Sterling Bank has continued its high level of community development lending, before and during the pandemic. During 2020 through first quarter 2021, Sterling Bank provided 36 community development loans totaling $549 million in its CRA assessment areas. In 2020, Sterling Bank also provided $130 million in community development loans in a broader state or regional area.

Examples of Sterling Bank's community development lending since the Evaluation Period include:

- A $50.5 million construction loan for a charter school in an LMI community in Bronx, New York; Sterling Bank served as the lead construction lender.
- A $49.5 million construction loan for 164 units of affordable rental housing in a low-income census tract in Bronx, New York.
- A $31.8 million loan to provide environmental enhancement for a school district serving LMI communities in Suffolk, New York.
- A $10.6 million line of credit for operating capital for a nonprofit organization in Brooklyn, New York, which engages in counseling and other services for children and families suffering from substance abuse, domestic violence, mental health issues or neglect.
- A $10.0 million loan to provide funding for a charter school in an LMI community in Bronx, New York.
- A $9.7 million investment in a LIHTC project in Jersey City, New Jersey, providing 99 units of affordable rental housing.
- A $1.6 million loan to a LIHTC project for seniors in New York City, providing 164 units of affordable rental housing.

Sterling Bank also has continued its strong record of CRA-qualified investment and grant activity since the SB 2020 Evaluation. During 2020 and first quarter 2021, Sterling Bank provided qualified investments and grants totaling $106.5 million across its CRA assessment areas.

Examples of Sterling Bank's qualified investments and grants since the SB 2020 CRA Evaluation include:

- A $19.4 million equity investment in a LIHTC project in Kingston, New York, to support the building of 62 affordable rental units.
- A $15.0 million investment in Section 8 Housing Revenue Bonds for affordable housing development in Brooklyn, New York.
- A $10.0 million equity investment in a LIHTC project in Bronx, New York, to support the development of 170 affordable rental units.
- A $250,000 grant to a nonprofit organization that provides small business recovery assistance to minority and women business owners.

- Grants totaling approximately $200,000 to community organizations for small business revitalization, affordable housing and digital access in an LMI community in Bronx, New York.

- Investments totaling $180,000 in CDFIs that support affordable housing, small business infrastructure, workforce development, vocational training and economic empowerment in the New York-metro area.

- A $100,000 grant to a nonprofit organization that provides financial literacy empowerment for LMI students and children in New York City.

- A grant of $50,000 to a Hispanic-led nonprofit organization in Bronx, New York, that provides housing, healthcare, education, workforce development and other services to the LMI and other underserved communities.

- A $50,000 grant to a nonprofit organization that provides affordable housing services in northern New Jersey.

Sterling Bank has also invested in three Digital Labs in its market area (in Long Island, Bronx and Queens), partnering with local nonprofit organizations to provide access to hardware, software and training and assist LMI communities to better participate in the expanding digital world. In addition, Sterling Bank has provided its physical office space in Queens (together with utilities and coverage of other ad hoc expenses) free of charge to a nonprofit community organization engaged in affordable housing activities. The value of such services is approximately $180,000 per year.

Banking and Community Development Services

Banking Services. Sterling Bank provides its banking services through branches and ATMs, as well as by telephone, online, mobile app and digital payments. As of May 28, 2021, Sterling Bank has a total of 75 branches, of which 14 (or 19%) are in LMI census tracts and another 9 (or 12%) are adjacent to LMI census tracts.

To help serve the needs of unbanked or under-banked individuals, through Sterling Start, Sterling Bank offers low fixed-rate mortgage loans without private mortgage insurance requirements and with down-payment grants to individuals who meet certain income qualifications or are qualified first-time homebuyers. More detailed information about the Sterling Start program is provided below:

- *Sterling Start Affordable Home Mortgage Program* – Under this program, applicants who meet income qualifications can purchase or refinance a home, condominium or co-op with a low fixed-rate mortgage loan without a private mortgage insurance requirement. The LTV ratio can be up to 97% and down payment assistance can include gifts, grants or cash on hand.

- *Sterling Start Grant Program* – Qualified first-time homebuyers who complete the approved home ownership education course can receive a grant of up to $7,500 for down payment or closing cost assistance. No grant repayment is required even upon the sale of the home.

In addition, Sterling Bank is working with the Cities for Financial Empowerment Fund and BankOn organization to pursue BankOn certification and offer a deposit product specifically designed to reach LMI individuals and other underbanked or unbanked persons. Additional outreach to encourage use of the deposit product will be conducted in partnership with local community organizations.

Sterling Bank has made significant investments in digital banking delivery systems and resources to help meet the evolving needs of its customers. Sterling Bank has partnered with BrightFi to improve its digital banking offerings and accessibility to all its customers including LMI individuals and families. As discussed in the *Convenience and Needs of the Proposed Transaction* section above, Sterling Bank has been developing a new, mobile banking platform to launch this year, which will provide state-of-the-art capabilities that will significantly enhance the customer experience. Sterling Bank also offers Zelle® peer-to-peer payment processing, which customers nationwide are increasingly demanding.

In addition, Sterling Bank has increased its level of community development service activity since the SB 2020 Evaluation. During 2020 through first quarter 2021, Sterling Bank employees engaged in almost 5,000 volunteer hours with approximately 78 community organizations. These community development service events included a wide variety of activities, such as financial literacy activities for students, homebuyer education courses, technical services for women- and minority-owned businesses and other small businesses, workforce development and mentoring, affordable housing development and food scarcity assistance. In addition, Sterling Bank has continued to participate in the FHLBNY Affordable Housing Program to help LMI communities with affordable housing options. Since 2017, Sterling Bank has sponsored 18 community organization program applications, of which 9 have been awarded funding for affordable housing.

Sterling Bank employees are encouraged to provide volunteer services to community organizations. Sterling Bank has partnered with its recently launched Business Resource Groups in developing a volunteer ambassador program that leverages the time and talent of its employees to directly impact the communities it serves. Additionally, Sterling Bancorp provides one full day of paid time off to incentivize colleagues to volunteer, as well as an annual information session that denotes the benefits of community service. Monthly colleague advisories are sent via email advertising local opportunities and highlighting the accomplishments of recent volunteer participants. During 2020 through first quarter 2021, Sterling Bank management and employees have provided almost 5,000 volunteer hours dedicated to community development service activities.

Financial education has remained an important aspect of Sterling Bank's community service activity. Throughout its CRA assessment areas, Sterling Bank has provided more than 40 financial education classes (primarily virtual instruction) during 2020 through the first quarter 2021, as well as sessions on cybersecurity. Sterling Bank provides more than 40 hours annually of home ownership counseling and education for first-time homebuyers through partnerships with 22 housing-related nonprofit organizations throughout Sterling Bank's market area. In addition, Sterling Bank has partnered with EverFi, which has enabled Sterling Bank (i) to strengthen its financial literacy curriculum and have a great impact on students in K-12 schools throughout Sterling Bank's market area and (ii) deepen its technical assistance and mentoring programs for entrepreneurs and small business owners. The enhanced financial literacy programs with EverFi will launch in the 2021-2022 school year in high schools throughout the New York metropolitan area.

Employees of Sterling Bank have also continued their active community service on boards and committees of community organizations throughout Sterling Bank's CRA assessment areas. Through this service, the employees share their leadership, technical skills and experience with community organizations that: focus on food scarcity assistance, affordable housing, workforce development, financial literacy, developmental disabilities, health and human services, youth development and education, small business infrastructure support, economic development and domestic violence. Nearly all senior executives at Sterling Bank, in addition to all members of the CRA team, serve on boards that address the needs of African-American and Hispanic communities in the Sterling Bank's market area. Recognizing the impact of Sterling Bank employee service on boards of local nonprofit organizations, Sterling Bank is developing a board service matching program to match talented employees with local nonprofit organizations.

Sterling Bank COVID-19 Pandemic Relief

Sterling Bank has actively assisted its customers and communities in addressing their critical needs during the COVID-19 pandemic in 2020 and year-to-date 2021. For example, Sterling Bank has provided significant relief to consumer, small business and nonprofit customers, which includes: fee waivers for overdraft and insufficient fund charges, waivers for ATM withdrawals, and waivers of CD penalty fees for early withdrawal and loan payment deferrals. In addition, Sterling Bank provided loan payment deferrals to small businesses, nonprofits and commercial customers. At the height of the pandemic in June 2020, Sterling Bank had provided $2.7 billion in pandemic-related deferral relief. By December 2020, 11% of Sterling Bank's portfolio had received or was still receiving a pandemic-related modification on their loan, for an aggregate total of $2.4 billion.

In addition, Sterling Bank directed the servicers of its residential mortgage loans to accommodate borrower requests to defer home equity line of credit payments for 90 days with no adverse credit reporting. Sterling Bank also proactively sent a letter to its Sterling Start mortgage loan customers, offering bank contact information in the event that they were experiencing financial hardship and needed to discuss their mortgage payments. In addition, forbearances were granted to 793 residential loan customers, representing 15% of Sterling Bank's residential loan portfolio, and 13% of Sterling Start customers received forbearances. Moreover, in lieu of a balloon payment increasing monthly payments when the forbearances expire, Sterling is offering to "cap and extend" the loans of Sterling Start clients, so they simply have more time to pay back the loan and not penalize them for exercising forbearance during the pandemic.

Moreover, Sterling Bank quickly conducted outreach to its nonprofit organizations at the outset of the pandemic to determine their most pressing needs, resulting in additional grants totaling $285,000 deployed toward urgent pandemic-related issues (*e.g.*, food scarcity, online learning needs, healthcare, community outreach to the elderly, and childcare for essential workers). Many nonprofit organizations noted that Sterling Bank was the first corporate partner that reached out at the onset of the pandemic to inquire about the nonprofit's needs and to provide urgent support in critical areas.

Sterling Bank also managed to keep open about 85% of its financial center/branch locations, with reduced hours, including all located in LMI neighborhoods, with the exception of two locations that were closed for health reasons (one of which was reopened shortly thereafter). Keeping the branches open to the extent possible significantly helped meet the needs of its retail, small business, nonprofit and commercial customers. As of March 1, 2021, all of its financial centers (branches) were open for regular business hours and client servicing.

In addition, Sterling Bank quickly responded to the high demand for PPP loans during the COVID-19 pandemic. Sterling Bank has provided approximately $649 million in financing to more than 3,000 businesses through the SBA PPP program during 2020. Of the 3,164 Sterling Bank PPP loans processed, registered and funded, 2,326 of the loans (or approximately 74%) were for loan amounts of less than $100,000. Also to assist small business recovery, the Sterling Bank Charitable Foundation Sterling Bank provided $250,000 in grant capital towards small business recovery, a portion of which was used to launch an Entrepreneurs of Color Fund managed by the Business Outreach Center.

Conclusion

The Proposed Transaction will join two banking organizations with highly compatible cultures, business models, risk management systems and dedication to superior customer service, resulting in a stronger combined organization that is better able to serve consumers, businesses and other customers than if WFC and Sterling Bancorp continued to operate independently. All of the statutory factors that the Federal Reserve must consider in acting on the Application are consistent with approval. WFC has ample financial and managerial resources to successfully consummate the Proposed Transaction. WFC and Sterling Bancorp, as well as their respective subsidiary banks, are each well-capitalized, and the combined company and combined bank will remain so upon consummation of the Proposed Transaction.

The combined company and combined bank will have the necessary risk management systems, experienced management and extensive experience for a successful integration of Sterling Bancorp into WFC and Sterling Bank into Webster Bank and to continue operating in a safe and sound manner. Both WFC and Sterling Bancorp have robust ERM Programs and systems, including for Financial Crimes Compliance and Consumer Compliance, which will assist the integration process.

The Proposed Transaction will not adversely impact competition in any banking market. The increased pro forma market concentration in the only overlapping banking market – the NYC Metro Market – is de minimis and well within the Federal Reserve's and the DOJ's "safe harbor" levels. In addition, multiple competitors will remain in each banking market.

In addition, the Proposed Transaction will not result in any material increased risk to the U.S. banking or financial system. Instead, the Proposed Transaction will have a systemically stabilizing impact by creating a combined company that is more diversified and has increased earnings capability and financial strength. These benefits will enable the combined organization to compete more effectively against other regional banking organizations and the larger U.S. banking organizations that operate nationally and are aggressively increasing their deposit market shares, including in the markets in which WFC and Sterling Bancorp operate. The combined company's increased scale and financial strength will also support further investment in technologies and innovation to address effectively the evolving needs of customers and communities for innovative banking services and cybersecurity protections.

The continuation of the outstanding CRA program of Webster Bank, combined with the best CRA practices of Sterling Bank, will benefit the customers and communities served by the combined bank. Customers of Webster Bank and Sterling Bank will also benefit from the resulting larger branch and ATM networks, and broader banking product and service offerings of the combined organization. In addition, customers and communities will benefit from: the reinforced culture and dedication of the combined organization to providing superior customer service to consumers and businesses alike; economic support to all its communities, including LMI and other underserved communities, to help bridge the financial and economic difficulties they face; affordable housing funding; financial support for small businesses, including minority- and women-owned businesses; financial literacy education for children and adults; affordable housing; and increased access to digital banking services. In addition, the continuation of WFC's and Sterling Bancorp's shared prioritization and actions supportive of environmental, social and governance priorities, including DE&I initiatives, will benefit customers, communities and all other constituents of the combined organization.

For all the reasons discussed in the Application, including the exhibits, WFC respectfully submits that the Application should be approved as promptly as possible.

RESPONSES TO THE FORM FR Y-3 INFORMATION REQUEST ITEMS

Proposed Transaction

1. Describe the transaction's purpose. Identify any changes to the business plan of the Bank/Bank Holding Company to be acquired or the Resultant Institution. Identify any new business lines.

The purpose of the transaction is to combine two highly compatible banking organizations with complementary cultures, business models, strong financials and capital ratios, rigorous risk management and dedication to the customers and communities they serve. The combined company and combined bank will be stronger than if WFC/Webster Bank and Sterling Bancorp/Sterling Bank remained as independent organizations. The benefits resulting as a combined organization include, among others: an enhanced ability to serve customers and communities, including LMI and other disadvantaged customers and communities; greater diversification; stronger financial and operating metrics, efficiencies and revenue generation; as well as broader technological capabilities and further technology investment capacity to meet customers' growing digital banking and information security needs.

Please see the discussions in the *Preliminary Statement* for additional responsive information and Confidential Exhibit H.

2. Provide the following with respect to the Bank/Bank Holding Company to be acquired:

a. Total number of shares of each class of stock outstanding;

The authorized capital stock of Sterling Bancorp, as of April 18, 2021, consists of (1) 310,000,000 shares of Sterling Common Stock (par value $0.01 per share), of which 193,160,313 shares are issued and outstanding, including (i) 3,850,200 shares granted in respect of outstanding Sterling Restricted Stock awards, (ii) 37,305,440 are held in treasury, (iii) 261,675 shares are reserved for issuance upon the exercise of outstanding Sterling Stock Options and (iv) 726,056 shares are reserved for issuance pursuant to future grants under the Sterling Stock Plans (collectively, "Sterling Equity Awards");[40] and (2) 10,000,000 shares of Sterling Bancorp Preferred Stock (par value $0.01 per share) of which 135,000 shares of Sterling Bancorp Preferred Stock (6.50% Non-Cumulative Perpetual Preferred Stock, Series A, par value $0.01 per share) are issued and outstanding and none are held in treasury.

b. Number of shares of each class now owned or under option by the applicant, by subsidiaries of the applicant, by principals of the applicant,[41] by trustees for the

[40] The terms Sterling Restricted Stock, Sterling Stock Options and Sterling Stock Plans are defined in the Agreement, which is provided in Exhibit 1.

[41] **The term principal as used herein means any individual, corporation, or other entity that (1) owns, or controls, directly or indirectly, individually or as a member of a group acting in concert, 10 percent or more of any class of voting securities or other voting equity interest of the entity; (2) is a director, trustee, partner, or executive officer; or (3) with or without ownership interest, participates, or has the authority to participate in major policy-making functions, whether or not the individual has an official title or is serving without**

benefit of the applicant, its subsidiaries, shareholders, and employees as a class, or by an escrow arrangement instituted by the applicant;

To the best of WFC's knowledge, none of WFC or Webster Bank, or any of their subsidiaries or principals (including directors or senior executive officers), or any trustee for the benefit of any of the foregoing or employees of WFC or its subsidiaries (as a class), own or hold an option to acquire any shares of Sterling Bancorp.

Similarly, to the best of Sterling Bancorp's knowledge, none of Sterling Bancorp, or their subsidiaries or principals (including directors or senior executive officers), or any trustee for the benefit of any of the foregoing or employees of Sterling Bancorp or its subsidiaries (as a class), own or hold an option to acquire any shares of WFC.

c. Number of shares of each class to be acquired by cash purchase; the amount to be paid, per share and in total; and the source of funds to be applied to the purchase;

Not applicable. As discussed in the *Preliminary Statement –Terms of the Transaction* section above, the Proposed Transaction is structured as a share exchange. The only cash payment will be in lieu of any fractional shares.

d. Number of shares of each class to be acquired by exchange of stock, the exchange ratio, and the number and description of each class of the applicant's shares to be exchanged; and

As discussed in the *Preliminary Statement – Terms of the Transaction* section above, the Exchange Ratio will result in each outstanding share of Sterling Common Stock being converted into the right to receive 0.4630 of a share of WFC Common Stock.

Each outstanding share of Sterling Preferred Stock will be converted into the right to receive one share of newly created series of preferred stock of WFC having substantially the same terms as the Sterling Preferred Stock.

Each outstanding Sterling Equity Award will be converted into a corresponding equity award with respect to WFC Common Stock, with the number of shares (and, in the case of stock options, the exercise price) adjusted based on the Exchange Ratio. The converted equity awards will generally have the same terms and conditions (including vesting and exercisability except restricted stock awards to non-employee directors which will fully vest) as applied to the corresponding Sterling Equity Awards, except that the number of shares underlying the Sterling performance share awards will be fixed at the greater of actual or target performance at the time of the Holdco Merger and such awards shall be subject to service-based vesting only and no longer subject to any performance conditions following the Holdco Merger.

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compensation. If the applicant believes that any such individual should not be regarded as a principal, the applicant should so indicate and give reasons for such opinion.

On consummation of the Proposed Transaction, WFC will issue approximately (i) 90,053,500 shares of WFC Common Stock to Sterling Bancorp stockholders and (ii) 135,000 shares of New WFC Preferred Stock, based on information as of April 18, 2021.

e. A copy of the purchase, operating, shareholder, trust or other agreements associated with the proposed transaction. Also, provide the expiration dates of any contractual arrangement between the parties involved in this application and a brief description of any unusual contractual terms, especially those terms not disclosed elsewhere in the application. Note any other circumstances that might affect timing of the proposal. Note any other circumstances that might affect timing of the proposal.

A summary of the principal terms of the Proposed Transaction is provided in the *Preliminary Statement – Summary of Terms of the Proposed Transaction* section above. A copy of the execution version of the Holdco Agreement is provided in Exhibit 1. A copy of the form of Bank Merger Agreement is provided in Exhibit 2. We will provide the Federal Reserve with a copy of the final executed Bank Merger Agreement promptly after it is executed.

A copy of the certified joint resolutions of the Boards of Directors of WFC and Webster Bank approving the Holdco Merger and the Bank Merger, entering into the related merger agreements, filing of the related regulatory filings, and delegating authority to executive management to finalize the agreements and take actions necessary to effect the Proposed Transaction, is attached as Exhibit 5.

A copy of the certified joint resolutions of the Boards of Directors of Sterling Bancorp and Sterling Bank approving the Holdco Merger and the Bank Merger, entering into the related merger agreements, filing of the related regulatory filings, and delegating authority to executive management to finalize the agreements and take actions necessary to effect the Proposed Transaction, is attached as Exhibit 6.

The Holdco Agreement may be terminated by mutual written consent of both parties, by either party on written notice if the Holdco Merger has not been consummated by April 18, 2022, and on certain other limited bases. However, WFC and Sterling Bancorp are planning to consummate the Proposed Transaction as soon as practicable, in order to preserve the benefits of the Proposed Transaction and minimize losses of employees and customers that result from a protracted period between announcing and closing a transaction.

3. If the proposed transaction is an acquisition of assets and assumption of liabilities, indicate the total price and the source of funds that the applicant intends to use for the proposed purchase, and discuss the effect of the transaction on the operations of the applicant.

Not applicable. The Proposed Transaction is not an acquisition of assets and assumption of liabilities.

4. If the proposed transaction involves the acquisition of an unaffiliated banking operation or otherwise represents a change in ownership of established banking operations, describe briefly the due diligence review conducted on the target

operations by Applicant. Indicate the scope of and resources committed to the review, explain any significant adverse findings, and describe the corrective action(s) to be taken to address those weaknesses.

A summary of WFC's due diligence review is provided in Confidential Exhibit E and the *Preliminary Statement – Financial and Managerial Resources and Future Prospects – Managerial Resources – Integration Planning Experience* section above.

5. Provide a list of all regulatory approvals and filings required for the proposed transaction and the status of each filing.

Please see the *Preliminary Statement – Required Approvals* section above for responsive information.

6. Provide a copy of any findings, orders, approvals, denials or other documentation regarding the proposed transaction issued by any regulatory authority.

Not applicable. There is no such documentation regarding the Proposed Transaction issued by any regulatory authority.

7. For applications filed pursuant to section 3(a)(1) of the BHC Act, if the proposed transaction would result in an organization other than a shell one-bank holding company, submit a pro forma organization chart showing the applicant's percentage of ownership of all banks and companies, both domestic and foreign, in which it directly or indirectly will own or control more than 5 percent of the outstanding voting shares.

Not applicable. The Application is filed pursuant to sections 3(a)(3) and 3(a)(5) of the BHC Act.

Financial and Managerial Information

8.

a. For an applicant that is not or would not be subject to consolidated capital standards following consummation of the proposed transaction,[42] provide parent company balance sheet as of the end of the most recent quarter, showing separately each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by detailed footnotes) reflecting the proposed transaction; and the resulting pro forma balance sheet. The pro forma balance sheet should reflect the adjustments required under business combination and fair value accounting standards.

Not applicable. WFC is subject to consolidated capital standards, which will continue to be the case after consummation of the Holdco Merger.

[42] **This type of applicant includes a company or similar organization that on a pro forma basis would be subject to the Board's Small Bank Holding Company Policy Statement.**

b. For an applicant that is or would be subject to consolidated capital standards following consummation of the proposed transaction,[43] provide parent company and consolidated balance sheets as of the end of the most recent quarter, showing separately each principal group of assets, liabilities, and capital accounts; debit and credit adjustments (explained by detailed footnotes) reflecting the proposed transaction; and the resulting pro forma balance sheets; and the financial information provided should be prepared in accordance with GAAP, and be in sufficient detail to reflect any:

- **Common equity and preferred stock;**
- **Other qualifying capital;[44]**
- **Long- and short-term debt;**
- **Goodwill and all other types of intangible assets; and**
- **Material changes between the date of the balance sheet and the date of the application (explained by footnotes).**

Please see Confidential Exhibit C and Exhibit 9, which includes the requested balance sheet information, as of March 31, 2021.

There have been no material changes in financial condition at the respective companies and banks between March 31, 2021 and the filing date of the Application. However, please note that on April 1, 2021, Sterling Bank redeemed the remaining $145 million in outstanding subordinated bank debt with a coupon of 5.25%, originally issued in March 2016 with an original maturity date of April 1, 2026. The securities were callable in whole or in part beginning on April 1, 2021 and on each interest payable date thereafter. The OCC approved this transaction. In anticipation of the redemption, Sterling Bancorp injected $175 million in equity capital into Sterling Bank in the fourth quarter of 2020.

c. Provide a broad discussion on the valuation of the target entity and any anticipated goodwill and other intangible assets. Also discuss the application of fair value and any election to apply push-down accounting adjustments, as appropriate.

Please see Confidential Exhibit C and Exhibit 9, which include the requested information in the Notes or Assumptions to the financial charts provided.

9. For an applicant that is or would be subject to consolidated capital requirements under Regulation Q (12 CFR part 21) following consummation of the proposed transaction, provide a breakdown of the organization's existing and pro forma risk-weighted assets as of the end of the most recent quarter, showing each principal

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[43] **This type of applicant includes a company or similar organization that on a pro forma basis would not be subject to the Board's Small Bank Holding Company Policy Statement.**

[44] **Other qualifying capital includes, but is not limited to, trust preferred securities.**

group of on and off-balance sheet assets and the relevant risk-weight. Also, identify the existing and pro forma components of common equity tier 1, additional tier 1 and tier 2 capital pursuant to the capital adequacy regulations as of the end of the most recent quarter, and provide calculations of applicant's existing and pro forma common equity tier 1 capital, tier 1 capital, total capital, and leverage ratios pursuant to the capital adequacy regulations. If applicable, also provide the applicant's existing and pro forma supplementary leverage ratio pursuant to the capital adequacy regulations.

Please see Confidential Exhibit C and Exhibit 9, which include the requested capital-related information for the Proposed Transaction.

10. Provide for the applicant and any other Bank(s)/Bank Holding Company(ies) that would result from the proposal:

a. A description of any plans (in connection with the proposed transaction, or otherwise) to issue, incur, or assume additional common equity, preferred stock, other qualifying capital, and/or debt. Specify the amount, purpose, name and location of the issuer and/or lender; provide a copy of any loan agreement, loan commitment letter from the lender, or other underlying agreement which provides the interest rate, maturity, collateral, and proposed amortization schedule; and discuss what resources would be used to service any debt or capital instruments arising from the proposed transaction.

WFC does not have any plans to issue, incur or assume additional common equity, preferred stock or other qualifying capital or debt in connection with the Proposed Transaction, except as described in the response to Item 2.d. above.

Please see Confidential Exhibit I for information on the debt (including subordinated debt) of Sterling Bancorp and Sterling Bank that WFC and Webster Bank will assume in connection with the Proposed Transaction.

b. If the proposed transaction results in a change in ownership of the company (e.g., due to an exchange of stock), provide a current and pro forma shareholders list.

Please see the *Preliminary Statement – The Companies and Banks – Combined Company Stockholders* section above for responsive information.

c. Cash flow projections under the following limited circumstances:

(i) For an applicant that is or would be subject to consolidated capital standards following consummation of the proposed transaction and that would incur or assume any debt in the proposal such that parent company long-term debt would exceed 30 percent of parent company equity capital, provide cash flow projections for the parent company for each of the next three years, along with supporting schedules for each material cash receipt and disbursement. If an applicant projects that

dividends or other payments from subsidiary banks will be used to service parent company debt and/or other obligations, provide projections of subsidiary bank(s) assets, earnings, and dividends, as well as common equity tier 1, additional tier 1, total capital, and leverage ratios (including the supplementary leverage ratio, if applicable) pursuant to the capital adequacy regulations. If the combined assets of the subsidiary banks exceed the asset threshold of the Board's Small Bank Holding Company Policy Statement, subsidiary bank data may be shown on an aggregate basis;

Not applicable. WFC's long-term debt currently does not exceed, and on consummation of the Proposed Transaction would not exceed, 30% of its equity capital.

(ii) For an applicant that is not or would not be subject to consolidated capital standards following consummation of the proposed transaction and that would incur or assume any debt or other obligations in the proposal such that parent company debt[45] would exceed 30 percent of parent company equity capital, provide cash flow projections for the parent company for each of the next twelve years, along with supporting schedules for each material cash receipt and disbursement. These projections must clearly demonstrate the ability of the parent company to reduce the debt to equity ratio to 30 percent or less within twelve years of consummation and must take into account the schedule of principal reduction required by the parent company's creditor(s). Include projections of subsidiary bank(s) assets, earnings, dividends, and other payments to affiliates, as well as common equity tier 1 capital, tier 1 capital, total capital and leverage ratios. Explain the methods and assumptions utilized in the projections, and support all assumptions which deviate from historical performance.

Not applicable. WFC is subject to consolidated capital standards, which will continue to be the case after consummation of the Proposed Transaction.

d. If the subject transaction will be funded in whole, or in part, through the issuance of additional stock instruments, describe the current status of the stock raising efforts. Provide copies of the prospectus, private placement memorandum, and other documents associated with the capital raise. In addition, provide copies of any stock commitments, subscription agreements, or escrow account statements evidencing capital raised. Before submitting a final application, please contact the appropriate Federal Reserve Bank to discuss the timing considerations of the capital raising efforts with regard to submission of the application.

Please see the response to Item 2.d. above for WFC's plans to issue additional stock to effect the share exchange in the Holdco Merger. We will supplement the Application with a

[45] **Including any debt issued/incurred by nonbanking subsidiaries, such as trust preferred securities.**

copy of the Form S-4 that WFC files with the SEC in connection with the issuance of WFC Common Stock and New WFC Preferred Stock in exchange for Sterling Common Stock and Sterling Preferred Stock.

11. For applications filed pursuant to section 3(a)(1) of the BHC Act, provide for the applicant and the Bank a list of principals (including changes or additions to this list to reflect consummation of the transaction), providing information with respect to each as follows:

a. Name and address (City and State/Country). If the principal's country of citizenship is different from his or her country of residence, then state the country of citizenship;

b. Title or positions with the applicant and the Bank;

c. Number and percentage of each class of shares of the applicant and the Bank owned, controlled, or held with power to vote by this individual;[46]

d. Principal occupation if other than with the applicant or the Bank;

e. Percentage of direct or indirect ownership, if such ownership represents 10 percent or more of any class of shares, or positions held in any other depository institution or depository institution holding company.[47] Give the name and location of such other depository institution or depository institution holding company. (Information that has been collected or updated within the past 12 months may be submitted, unless the applicant has reason to believe that such information is incorrect.);

f. Interagency Biographical and Financial Reports (IBFRs) are required for certain individuals. Consult with the appropriate Reserve Bank for guidance on who should provide an IBFR. See SR 15-8 Name Check Process for Domestic and International Applications for more details; and

g. If the principal is a corporation or partnership, provide financial statements (balance sheets and income statements) for the two most recent fiscal years and the most recent quarter end. Discuss any negative trends in the financial statements.

Not applicable. The Application is being filed under sections 3(a)(3) and 3(a)(5) of the BHC Act.

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[46] Include shares owned, controlled or held with power to vote by principal's spouse, dependents and other immediate family members. Give record ownership and, to the extent information is available, beneficial ownership of shares held by trustees, nominees, or in street names.

[47] For purposes of this application, a "depository institution" is defined as a commercial bank (including a private bank), a savings bank, a trust company, a savings and loan association, a homestead association, a cooperative bank, an industrial bank, or a credit union.

12. For applications filed pursuant to sections 3(a)(3) or 3(a)(5) of the BHC Act, list any changes in management or other principal relationships for the applicant and any other Bank(s)/Bank Holding Company(ies) that would result from the proposal. For any existing or proposed principal of the applicant or the Bank/Bank Holding Company that is also a principal of any other depository institution or depository institution holding company, provide the following information:

a. Name, address, and title or position with Applicant, Bank/Bank Holding Company, and any other depository institution or depository institution holding company (give the name and location of the other depository institution or depository institution holding company);

b. Number and percentage of each class of shares of the applicant and the Bank/Bank Holding Company owned, controlled, or held with power to vote by this individual;[48]

c. Principal occupation if other than with the applicant or the Bank/Bank Holding Company;

d. Percentage of direct or indirect ownership held in the other depository institution or depository institution holding company if such ownership represents 10 percent of more of any class of shares (Information that has been collected or updated within the past 12 months may be submitted, unless the applicant has reason to believe that such information is incorrect.); and

e. For any new (to applicant) principal shareholders, directors, or senior executive officer, provide an IBFR including completion of all required financial information.

Please see the *Preliminary Statement – Financial and Managerial Resources and Future Prospects – Existing and Pro Forma Directors and Senior Executive Officers* section above for information on the directors and senior executive officers of WFC, Webster Bank, Sterling Bancorp and Sterling Bank (during the Interim Bank Period) and managerial plans upon consummation of the Proposed Transaction.

No principal of WFC, Webster Bank, Sterling Bancorp or Sterling Bank is a principal of any other unaffiliated insured depository institution or insured depository institution holding company.

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[48] **As defined in footnote number 81.**

13. If the consolidated assets of the resulting organization are less than the asset threshold of the Board's Small Bank Holding Company Policy Statement for each principal of the applicant who either would retain personal indebtedness or act as guarantor for any debt that was incurred in the acquisition of shares of the applicant or the Bank/Bank Holding Company, provide the following:

a. Name of borrower and title, position, or other designation that makes the borrower a principal of the applicant;

b. Amount of personal indebtedness to be retained;

c. A description of the terms of the borrowing, the name and location of the lender, and a copy of any related loan agreement or loan commitment letter from the lender;

d. Statement of net worth as of a date within three months of the applicant's final filing of the application. The statement of net worth should be in sufficient detail to indicate each principal group of assets and liabilities of the reporting principal, and the basis for the valuation of assets (provide supporting documentation, as appropriate). In addition to debts and liabilities, the reporting principal should state on a separate schedule, any endorsed, guaranteed, or otherwise indirect or contingent liability for the obligation of others; and

e. Statement of most current year's income. In addition to indicating each principal source of annual income, the reporting principal should list annual fixed obligations arising from amortization and other debt servicing. (If the most current year's statement is not representative of the future, the reporting principal should submit a pro forma income statement and discuss the significant changes and the basis for those changes.)

Not applicable. The total banking assets of the resulting organization will exceed the asset threshold of the Board's Small Bank Holding Company Policy Statement.

14. Describe any litigation or investigation by local, state, or federal authorities involving the applicant or any of its subsidiaries or the target or any of its subsidiaries that is currently pending or was resolved within the last two years.

Neither WFC, Webster Bank, Sterling Bancorp nor Sterling Bank, nor any of their respective affiliates, have been subject to any material litigation or investigation by local, state or federal authorities or any other parties (whether ongoing, pending or resolved) within the last two years.[49]

[49] Neither WFC nor Sterling Bancorp anticipate that the individual or aggregate liability arising out of litigation pending against either company or any of their respective subsidiaries will be material to their consolidated financial statements, and they do not have any material litigation to disclose. That being said, they are involved in a number of judicial proceedings concerning matters arising from conducting normal business activities, such as routine legal

Competition

If the subject transaction is a bank holding company formation involving only one bank or an application filed pursuant to section 3(a)(3) or 3(a)(5) of the BHC Act to acquire a *de novo* bank, a response to items 14 and 15 is not required. Otherwise, the applicant should contact the appropriate Reserve Bank to determine whether a response to items 14 and 15 will be necessary. If a response is required, the applicant should obtain a preliminary definition of the relevant banking markets from the appropriate Reserve Bank. If the applicant disagrees with the Reserve Bank's preliminary definition of the banking market(s), it may in addition to supplying the information requested on the basis of the Reserve Bank's definition of the banking market(s), include its own definition of the banking market(s), with supportive data, and answer the questions based on its definition. If later analysis leads Federal Reserve staff to alter the preliminary definition provided, the applicant will be so informed.

15. Discuss the effects of the proposed transaction on competition considering the structural criteria specified in the Board's Rules Regarding Delegation of Authority (section 265.11c(11)(v)). The applicant may be required to provide additional information if Federal Reserve staff determines that the proposal exceeds existing competitive guidelines. Also, if divestiture of all or any portion of any bank or nonbanking company constitutes part of this proposal, discuss in detail the specifics and timing of such divestiture.

For a response to this Item, please refer to the *Preliminary Statement – Competitive Effects* section above and Exhibit 18.

16. If the proposal involves the acquisition of nonbank operations under sections 4(c)(8) and 4(j) of the Bank Holding Company Act, a Form FR Y-4 should be submitted in connection with FR Y-3 filing. At a minimum, the information related to the nonbank operations should include the following:

a. A description of the proposed activity(ies);

b. The name and location of the applicant's and the Bank's direct or indirect subsidiaries that engage in the proposed activity(ies);

c. Identification of the geographic and product markets in which competition would be affected by the proposal;

d. A description of the effect of the proposal on competition in the relevant markets; and

e. A list of major competitors in each affected market.

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proceedings arising in the ordinary course of business. These proceedings also include actions brought against WFC or Sterling Bancorp, or one of their respective subsidiaries, with respect to corporate matters and transactions in which they were involved.

Not applicable. WFC intends to acquire the nonbanking subsidiaries of Sterling Bancorp that remain on consummation of the Holdco Merger under section 4(k) of the BHC Act and the Federal Reserve's implementing regulations. The operating subsidiaries of Sterling Bank will become operating subsidiaries of Webster Bank upon consummation of the Bank Merger.

In addition, the applicant should identify any other nonbank operations to be acquired, with brief descriptions of the activities provided.

Information on the nonbanking subsidiaries of Sterling Bancorp and the subsidiaries of Sterling Bank are provided in Exhibit 4 and Confidential Exhibit A. Please see Exhibit 3 for existing organization charts of (1) WFC and Webster Bank and (2) Sterling Bancorp and Sterling Bank. A pro forma organization chart of WFC and Webster Bank is provided in Confidential Exhibit B.

17. In an application in which any principal of the applicant or the Bank/Bank Holding Company is also a principal of any other insured depository institution or depository institution holding company, give the name and location of each office of such other institution that is located within the relevant banking market of the Bank/Bank Holding Company, and give the approximate road miles by the most accessible and traveled route between those offices and each of the offices of Bank/Bank Holding Company.

Not applicable. Please see the response to Item 12 above.

Convenience and Needs

18. Describe how the proposal would assist in meeting the convenience and needs of the community(ies) to be served, including but not limited to the following:

a. Summarize efforts undertaken or contemplated by the applicant to ascertain and address the needs of the community(ies) to be served, including community outreach activities, as a result of the proposal.

b. For the combining institutions, list any significant anticipated changes in services or products offered by the depository subsidiary(ies) of the applicant or target that would result from the consummation of the transaction.

c. To the extent that any products or services of the depository subsidiary(ies) of the applicant or target would be offered in replacement of any products or services to be discontinued, indicate what these are and how they would assist in meeting the convenience and needs of the communities affected by the transaction.

d. Discuss any enhancements in products or services expected to result from the transaction.

Please see the *Preliminary Statement – Convenience and Needs Considerations of the Proposed Transaction* and *Commitment to the CRA* sections above for information on how the

Proposed Transaction will meet the convenience and needs of the communities to be served by the combined company and combined bank, including the expanded products and services to which customers of WFC and Sterling Bancorp and their respective subsidiary banks will gain access as a result of the Proposed Transaction.

Webster Bank and Sterling Bank look forward to working with each other to map out ways the combined bank can best support local communities and assist disadvantaged groups across the combined bank's footprint. Webster Bank and Sterling Bank expect to continue engaging with community organizations, both in Webster Bank's current footprint and Sterling Bank's current footprint, to identify ways that the combined organization can help serve the banking and credit needs of the organization's entire communities, including LMI, African American, and other minority and underserved individuals and neighborhoods.

At this time, no discontinuation or changes to the products and services of Webster Bank or Sterling Bank are anticipated. As part of the integration process, the products and services of both organizations will be carefully evaluated and determinations made to ensure that the combined bank's products and services (i) are no less favorable to customers than those currently offered by each bank, (ii) are designed to meet the credit and banking needs of the communities and (iii) are highly competitive with offerings from other banks in the combined bank's markets.

19. Describe how the applicant and resultant institution, including its depository subsidiary(ies) would assist in meeting the existing and anticipated needs of its community(ies) under the applicable criteria of the Community Reinvestment Act (CRA) and its implementing regulations, including the needs of low and moderate income geographies and individuals. This discussion should include, but not necessarily be limited to, a description of the following:

a. The significant current and anticipated programs, products, and activities, including lending, investments, and services, as appropriate, of the depository subsidiary (ies) of the applicant and the resultant institution.

Please see the *Preliminary Statement – Convenience and Needs Consideration of the Proposed Transaction* and *Commitment to the CRA* sections above for information on the CRA performance records, including their products and programs that are designed to meet the needs of LMI and other underserved individuals and communities, and other responsive information. Webster Bank is carefully reviewing Sterling Bank's products, programs and community development activities so that the combined bank can incorporate the strongest components into its CRA Program and strive to maintain Webster Bank's overall "Outstanding" CRA performance ratings.

b. The anticipated CRA assessment areas of the depository subsidiary(ies) of the combined institution. If assessment areas of the depository subsidiary(ies) of the resultant institution would not include any portion of the current assessment area of that subsidiary, describe the excluded areas.

Webster Bank would add the CRA assessment areas of Sterling Bank to the extent they are not already included among Webster Bank's CRA assessment areas. Therefore, Webster

Bank's expanded CRA assessment areas would include: New York MSAs 28740, 35004 and 39100 and non-MSA 99999.

c. The plans for administering the CRA program for the depository subsidiary(ies) of the resultant institution following the transaction.

Please see the *Preliminary Statement – Commitment to the CRA* section above for a discussion of the plans for administering the CRA Program at the combined bank after consummation of the Bank Merger.

d. The plans for administering the CRA program for the depository subsidiary (ies) of the resultant institution following the transaction. For a subsidiary of the applicant or target that has received a CRA composite rating of "needs to improve" or "substantial noncompliance" institution-wide or, where applicable, in a state or multi-state Metropolitan Statistical Area (MSA), or has received an evaluation of less than satisfactory performance in an MSA or in the non-MSA portion of a state in which the applicant is expanding as a result of the transaction, describe the specific actions, if any, that have been taken to address the deficiencies in the institution's CRA performance record since the rating.

Not applicable. Webster Bank and Sterling Bank received overall CRA performance ratings of "Outstanding" and "Satisfactory," respectively, at their most recent respective CRA performance evaluations by the OCC. Neither Webster Bank nor Sterling Bank received a "needs to improve" or "substantial noncompliance" rating in any state or multi-state MSA or non-MSA portion of a state in their most recent respective CRA performance evaluations.

20. List all offices of the depository subsidiary (ies) of the applicant or target that (a) will be established or retained as branches, including the main office, of the target's depository subsidiary (ies), (b) are approved but unopened branch(es) of the target's depository subsidiary (ies), including the date the current federal and state agencies granted approval(s), and (c) are existing branches that will be closed or consolidated as a result of the proposal (to the extent the information is available) and indicate the effect on the branch customers served. For each branch, list the popular name, street address, city, county, state, and zip code specifying any that are in low and moderate-income geographies.[50]

Webster Bank is seeking permission of the OCC for the following actions on consummation of the Bank Merge, pursuant to 12 U.S.C. §§ 36(d) and 1831u(d): (1) retain and operate, as its main office, the existing Webster Bank branch that is located at 1959 Summer Street, Stamford, Connecticut 06905; (2) retain and operate as licensed branches the current main office of Webster Bank and the main office of Sterling Bank; and (3) retain and operate the branches of Sterling Bank as licensed branches.

Please see Exhibit 19 for a list of the current branch offices and main office of Sterling Bank, which will be retained as branch offices of Webster Bank. Not included on the list is a

[50] **Please designate branch consolidations as those terms are used in the Joint Policy Statement on Branch Closings, [64 FR 34844 (June 29, 1999)].**

Sterling Bank branch for which it has announced plans to close for reasons unrelated to the Proposed Transaction. That branch to be closed is the Goshen Branch, which is located at 60 Matthews Street, Goshen, New York 10924. The Goshen Branch is scheduled to close on June 29, 2021. The Sterling Bank branch that will receive the Goshen Branch's deposits is the Florida Branch, located 4.7 miles away at 7 Edward J. Lempka Drive, Florida (Orange County), New York 10921.

Aside from the above, Sterling Bank does not have any current plans to consolidate, relocate or close any other branches before consummation of, or otherwise unrelated to, the Proposed Transaction. Webster Bank also does not have any current plans to consolidate, relocate or close any of its branches before consummation of the Bank Merger. Neither Webster Bank nor Sterling Bank have any approved but unopened branches. Neither Webster Bank nor Sterling Bank has any approved but unopened branches.

Webster Bank and Sterling Bank believe that customers will be well served by the combined bank's resulting branch network following consummation of the Proposed Transaction. The branch networks of Webster Bank and Sterling Bank have little overlap, and Webster Bank and Sterling Bank do not expect to close or consolidate any Sterling Bank or Webster Bank branch as a result of the Proposed Transaction.

Interstate Banking

21. If the transaction involves the acquisition of a bank located in a State other than the home State of the applicant, please provide the following information, as applicable:

- **a. Identify any host state(s) involved with this transaction that require the target to be in operation for a minimum number of years and discuss compliance with this age requirement.**
- **b. Discuss compliance with nationwide and statewide deposit concentration limits to the transaction.**
- **c. Discuss compliance with state-imposed deposit caps.**
- **d. Discuss compliance with community reinvestment laws.**
- **e. Discuss any other restrictions that the host state(s) seek to apply (including state antitrust restrictions).**

Please see the *Preliminary Statement – Interstate Banking Requirements* section above for an analysis of the Holdco Merger's compliance with Section 3(d).

Financial Stability

If either the acquirer or the target's total assets exceeds $10 billion as of the most recent quarter for which data is available, address the following questions:

22. If either the acquirer or the target conducts any cross-border activities, please describe the nature of these activities and the amounts of cross-border assets and liabilities as of the most recent quarter for which data is available.

WFC and Sterling Bancorp do not have significant cross-border activities. Webster Bank has a Cayman Island branch to facilitate offering Eurodollar deposits to customers. In addition, Webster Bank has some lending relationships with certain foreign corporations in the United States, in foreign-denominated currency or lending to U.S.-domiciled corporations in foreign countries. Sterling Bank has one lending relationship with a cross-border customer. Please see Confidential Exhibit G for more information about these activities.

23. For each financial service below, if the dollar volume related to the service provided either by the acquirer or the target exceeds $1 billion, please report the annual volume over the past 12 months (otherwise, do not report).

Financial Service	Acquirer	Target
Short-term funding (e.g., in repos, fed funds)		
Underwriting services (e.g., equity, corporate bonds, commercial paper, ABS)		
Trading activities (e.g., equity, corporate bonds, derivatives)		
Payments, clearing, settlement, and custody services		
Prime brokerage		
Securities lending		
Corporate trust		
Correspondent banking		
Wealth management		
Insurance (including reinsurance)		

Please see Confidential Exhibit G for responsive information. In addition, please see the *Preliminary Statement – Financial Stability Risk Considerations* section above for a discussion of why the Proposed Transaction would not result in greater or more concentrated risks to the stability of the U.S. banking or financial system.

EXHIBIT VOLUME INDEXES

Public Exhibits Volume I:

1. Agreement and Plan of Merger
2. Form of Bank Merger Agreement
3. Current WFC and Sterling Bancorp Organizational Charts
4. Subsidiaries of Sterling Bancorp and Sterling Bank
5. Certified Resolutions of the Boards of Directors of WFC and Webster Bank
6. Certified Resolutions of the Boards of Sterling Bancorp and Sterling Bank
7. Current Report on Form 8-K Report Filed by WFC with the SEC Announcing the Proposed Transaction
8. Form of Newspaper Notice

Public Exhibits Volume II:

9. Balance Sheets, Income Statements, Regulatory Capital and Asset Quality (redacted)
10. WFC/Webster Bank Enterprise Risk Management Framework Overview
11. Sterling Bancorp/Sterling Bank Enterprise Risk Management Framework Overview
12. WFC/Webster Bank Compliance Program Overview
13. Sterling Bancorp/Sterling Bank Compliance Program Overview (includes Consumer Compliance)
14. WFC/Webster Bank Consumer Compliance Program Overview
15. WFC Environmental, Social Responsibility and Governance Report 2020
16. WFC/Webster Bank BSA/AML/Sanctions Compliance Program Overview
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18. Competitive Effects Summary Charts and Market Tables
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<u>Confidential Exhibits Volume</u>:

A. Additional Information on Subsidiaries of Sterling Bancorp and Sterling Bank

B. Pro Forma Organization Chart

C. Balance Sheets, Income Statements, Regulatory Capital and Asset Quality

D. Additional Human Resources information

E. Due Diligence Summary

F. Integration Planning Overview and Timeline

G. Information on Financial Stability Risk Considerations

H. Information on Strategic Plan

I. Information on Debt Assumption

PUBLIC EXHIBITS VOLUME I

APPLICATION

to the

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

by

WEBSTER FINANCIAL CORPORATION

for prior approval to acquire by merger

STERLING BANCORP

and

STERLING NATIONAL BANK

pursuant to Sections 3(a)(3) and 3(a)(5) of the
Bank Holding Company Act
and
Section 225.15 of Regulation Y

May 28, 2021

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WEBSTER FINANCIAL CORPORATION

May 28, 2021

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Public Exhibit 1

Agreement and Plan of Merger

EXECUTION VERSION

AGREEMENT AND PLAN OF MERGER

by and between

STERLING BANCORP

and

WEBSTER FINANCIAL CORPORATION

Dated as of April 18, 2021

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of April 18, 2021 (this "Agreement"), by and between Sterling Bancorp, a Delaware corporation ("Sterling"), and Webster Financial Corporation, a Delaware corporation ("Webster").

W I T N E S S E T H:

WHEREAS, the Boards of Directors of Webster and Sterling have determined that it is in the best interests of their respective companies and their stockholders to consummate the strategic business combination transaction provided for herein, pursuant to which Sterling will, subject to the terms and conditions set forth herein, merge with and into Webster (the "Merger"), so that Webster is the surviving corporation (hereinafter sometimes referred to in such capacity as the "Surviving Corporation") in the Merger;

WHEREAS, in furtherance thereof, the respective Boards of Directors of Sterling and Webster have approved the Merger and this Agreement;

WHEREAS, for federal income tax purposes, it is intended that the Merger shall qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and this Agreement is intended to be and is adopted as a plan of reorganization for purposes of Sections 354 and 361 of the Code; and

WHEREAS, the parties desire to make certain representations, warranties and agreements in connection with the Merger and also to prescribe certain conditions to the Merger.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE I

THE MERGER

1.1 The Merger. Subject to the terms and conditions of this Agreement, in accordance with the Delaware General Corporation Law (the "DGCL"), at the Effective Time, Sterling shall merge with and into Webster. Webster shall be the Surviving Corporation in the Merger, and shall continue its corporate existence under the laws of the State of Delaware. Upon consummation of the Merger, the separate corporate existence of Sterling shall terminate.

1.2 Closing.Subject to the terms and conditions of this Agreement, the closing of the Merger (the "Closing") will take place by electronic exchange of documents at 10:00 a.m. New York City time, on a date which shall be no later than three (3) business days after the satisfaction or waiver (subject to applicable law) of the latest to occur of the conditions set forth in Article VII hereof (other than those conditions that by their nature can only be satisfied at the Closing, but subject to the satisfaction or waiver thereof), unless another date, time or place is agreed to in writing by the parties (such date on which the Closing actually occurs being hereinafter referred to as the "Closing Date").

1.3 Effective Time. The Merger shall become effective as set forth in the certificate of merger to be filed with the Secretary of State of the State of Delaware (the "Delaware Secretary") on the Closing Date (the "Certificate of Merger"). The term "Effective Time" shall be the date and time when the Merger becomes effective, as set forth in the Certificate of Merger.

1.4 Effects of the Merger. At and after the Effective Time, the Merger shall have the effects set forth in the applicable provisions of the DGCL.

1.5 Conversion of Sterling Common Stock. At the Effective Time, by virtue of the Merger and without any action on the part of Webster, Sterling or the holder of any of the following securities:

(a) Subject to Section 2.2(e), each share of the common stock, par value $0.01 per share, of Sterling (the "Sterling Common Stock") issued and outstanding immediately prior to the Effective Time, except for shares of Sterling Common Stock owned by Sterling as treasury stock or owned by Sterling or Webster (in each case other than shares of Sterling Common Stock (i) held in trust accounts, managed accounts, mutual funds and the like, or otherwise held in a fiduciary or agency capacity that are beneficially owned by third parties or (ii) held, directly or indirectly, by Sterling or Webster in respect of debts previously contracted), shall be converted into the right to receive 0.4630 of a share (the "Exchange Ratio" and such shares, the "Merger Consideration") of the common stock, par value $0.01 per share, of Webster (the "Webster Common Stock"); it being understood that upon the Effective Time, pursuant to Section 1.7, the Webster Common Stock, including the shares issued to former holders of Sterling Common Stock, shall be the common stock of the Surviving Corporation.

(b) All of the shares of Sterling Common Stock converted into the right to receive the Merger Consideration pursuant to this Article I shall no longer be outstanding and shall automatically be cancelled and shall cease to exist as of the Effective Time, and each certificate (each, an "Old Certificate," it being understood that any reference herein to an "Old Certificate" shall be deemed to include reference to book-entry account statements relating to the ownership of shares of Sterling Common Stock) previously representing any such shares of Sterling Common Stock shall thereafter represent only the right to receive (i) a New Certificate representing the number of whole shares of Webster Common Stock which such shares of Sterling Common Stock have been converted into the right to receive, (ii) cash in lieu of fractional shares which the shares of Sterling Common Stock represented by such Old Certificate have been converted into the right to receive pursuant to this Section 1.5 and Section 2.2(e), without any interest thereon, and (iii) any dividends or distributions which the holder thereof has the right to receive pursuant to Section 2.2, without any interest thereon. If, prior to the Effective Time, the outstanding shares of Webster Common Stock or Sterling Common Stock shall have been increased, decreased, changed into or exchanged for a different number or kind of shares or securities as a result of a reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, or other similar change in capitalization, or there shall be any extraordinary dividend or distribution, an appropriate and proportionate adjustment shall be made to the Exchange Ratio to give Webster and the holders of Sterling Common Stock the same economic effect as contemplated by this Agreement prior to such event; provided, that nothing contained in this sentence shall be construed to permit Sterling or Webster to take any action with respect to its securities or otherwise that is prohibited by the terms of this Agreement.

(c) Notwithstanding anything in this Agreement to the contrary, at the Effective Time, all shares of Sterling Common Stock that are owned by Sterling or Webster (in each case other than shares of Sterling Common Stock (i) held in trust accounts, managed accounts, mutual funds and the like, or otherwise held in a fiduciary or agency capacity that are beneficially owned by third parties or (ii) held, directly or indirectly, by Sterling or Webster in respect of debts previously contracted) shall be cancelled and shall cease to exist and no Webster Common Stock or other consideration shall be delivered in exchange therefor.

1.6 Sterling Series A Preferred Stock. At the Effective Time, by virtue of the Merger and without any action on the part of Webster, Sterling or the holder of any of the following securities, each share of 6.50% Non-Cumulative Perpetual Preferred Stock, Series A, par value $0.01 per share, of Sterling (the "Sterling Series A Preferred Stock") issued and outstanding immediately prior to the Effective Time shall be converted into the right to receive one share of a newly created series of preferred stock of Webster having substantially the same terms (and taking into account that Sterling will not be the surviving corporation in the Merger) as the Sterling Series A Preferred Stock (all shares of such newly created series, collectively, the "New Webster Preferred Stock") and, upon such conversion, the Sterling Series A Preferred Stock shall no longer be outstanding and shall automatically be cancelled and shall cease to exist as of the Effective Time.

1.7 Webster Stock. At and after the Effective Time, each share of Webster Common Stock and each share of Webster Preferred Stock issued and outstanding immediately prior to the Effective Time shall remain an issued and outstanding share of common stock or preferred stock, as applicable, of the Surviving Corporation and shall not be affected by the Merger.

1.8 Treatment of Sterling Equity Awards.

(a) At the Effective Time, each option granted by Sterling to purchase shares of Sterling Common Stock under a Sterling Stock Plan (a "Sterling Stock Option") that is outstanding and unexercised immediately prior to the Effective Time shall be assumed and converted automatically into an option (an "Adjusted Stock Option") to purchase, on the same terms and conditions as were applicable under such Sterling Stock Option immediately prior to the Effective Time (including vesting terms), the number of shares of Webster Common Stock (rounded down to the nearest whole number of shares of Webster Common Stock) equal to the product of (A) the number of shares of Sterling Common Stock subject to such Sterling Stock Option immediately prior to the Effective Time, multiplied by (B) the Exchange Ratio, which Adjusted Stock Option shall have an exercise price per share of Webster Common Stock equal to the quotient (rounded up to the nearest whole cent) obtained by dividing (1) the exercise price per share of Sterling Common Stock subject to such Sterling Stock Option immediately prior to the Effective Time, by (2) the Exchange Ratio.

(b) At the Effective Time, each award in respect of a share of Sterling Common Stock subject to vesting, repurchase or other lapse restriction granted under a Sterling Stock Plan (a "Sterling Restricted Stock Award") that is outstanding immediately prior to the Effective Time that is not a Sterling Performance Award shall (i) if granted to a non-employee member of the Board of Directors of Sterling, fully vest and be cancelled and converted automatically into the right to receive (without interest) the Merger Consideration in respect of each share of Sterling Common Stock subject to such Sterling Restricted Stock Award immediately prior to the Effective Time, which shall be delivered as soon as reasonably practicable following the Closing Date and in no event later than five (5) business days following the Closing Date (or on such later date if required to comply with Section 409A of the Code) and (ii) if not granted to an individual described in clause (i), be assumed and converted into a restricted stock award in respect of Webster Common Stock subject to vesting, repurchase or other lapse restriction with the same terms and conditions as were applicable under such Sterling Restricted Stock Award immediately prior to the Effective Time (including vesting terms), and relating to the number of shares of Webster Common Stock equal to the product of (A) the number of shares of Sterling Common Stock subject to such Sterling Restricted Stock Award immediately prior to the Effective Time, multiplied by (B) the Exchange Ratio, with any fractional shares rounded to the nearest whole share of Webster Common Stock.

(c) At the Effective Time, each performance share award in respect of shares of Sterling Common Stock granted under a Sterling Stock Plan that is outstanding immediately prior to the Effective Time (a "Sterling Performance Award") shall be assumed and converted into a restricted stock award in respect of Webster Common Stock (an "Adjusted Performance Award") relating to the number of shares of Webster Common Stock equal to the product of (A) the number of shares of Sterling Common Stock subject to such Sterling Performance Award immediately prior to the Effective Time that would be earned assuming the achievement of the applicable performance goals as of immediately prior to the Effective Time based on the higher of target performance and actual performance through the latest practicable date prior to the Effective Time as reasonably determined by the compensation committee of the Board of Directors of Sterling (the "Sterling Compensation Committee") consistent with past practice in consultation with Webster, multiplied by (B) the Exchange Ratio, with any fractional shares rounded to the nearest whole share of Webster Common Stock. Except as specifically provided in this Section 1.8(c), each such Adjusted Performance Award shall be subject to the same terms and conditions (including service-based vesting terms) as applied to the Sterling Performance Award immediately prior to the Effective Time; provided, that each such Adjusted Performance Award shall be subject to service-based vesting only and shall no longer be subject to any performance conditions.

(d) At the Effective Time, each hypothetical Sterling Common Stock investment credited under the Sterling Deferred Fee Plan or the Sterling Directors Deferred Fee Plan (a "Sterling Phantom Stock Unit") that is unsettled immediately prior to the Effective Time shall be assumed and converted into a hypothetical Webster Common Stock investment with the same terms and conditions as were applicable under such Sterling Phantom Stock Unit immediately prior to the Effective Time (including vesting terms) and relating to the number of shares of Webster Common Stock equal to the product of (A) the number of shares of Sterling Common Stock subject to such Sterling Phantom Stock Unit immediately prior to the Effective

Time, multiplied by (B) the Exchange Ratio, with any fractional shares rounded to the nearest whole share of Webster Common Stock.

(e) Promptly following the Effective Time, Webster shall file a post-effective amendment to the S-4 or an effective registration statement on Form S-8 with respect to the Webster Common Stock subject to the applicable adjusted Sterling Equity Awards, as required.

(f) At or prior to the Effective Time, Sterling, the Board of Directors of Sterling or the Sterling Compensation Committee, as applicable, shall adopt any resolutions and take any actions that are necessary to effectuate the treatment of the Sterling Equity Awards consistent with the provisions of this Section 1.8.

(g) For purposes of this Agreement, the following terms shall have the following meanings:

(i) "Sterling Equity Awards" means the Sterling Stock Options, the Sterling Restricted Stock Awards, the Sterling Performance Awards and the Sterling Phantom Stock Units.

(ii) "Sterling Stock Plans" means the Provident Bancorp, Inc. 2004 Stock Incentive Plan, the Provident New York Bancorp 2012 Stock Incentive Plan, the Sterling 2014 Stock Incentive Plan and the Sterling Amended and Restated 2015 Omnibus Equity and Incentive Plan.

1.9 Certificate of Incorporation of Surviving Corporation. At the Effective Time, the Fourth Amended and Restated Certificate of Incorporation of Webster (the "Webster Certificate"), as amended as set forth in Exhibit A (such amendment, the "Webster Certificate Amendment"), shall be the Certificate of Incorporation of the Surviving Corporation until thereafter amended in accordance with applicable law.

1.10 Bylaws of Surviving Corporation. At the Effective Time, the Bylaws of Webster (the "Webster Bylaws"), as amended as set forth in Exhibit B (such amendment, the "Webster Bylaw Amendment"), shall be the Bylaws of the Surviving Corporation until thereafter amended in accordance with applicable law.

1.11 Tax Consequences. It is intended that the Merger shall qualify as a "reorganization" within the meaning of Section 368(a) of the Code, and that this Agreement is intended to be and is adopted as a plan of reorganization for the purposes of Sections 354 and 361 of the Code.

1.12 Bank Merger. Following the Merger, Sterling National Bank ("Sterling Bank"), a national banking association and a wholly-owned Subsidiary of Sterling, will merge (the "Bank Merger") with and into Webster Bank, a national banking association and a wholly-owned Subsidiary of Webster ("Webster Bank"). Webster Bank shall be the surviving entity in the Bank Merger (the "Surviving Bank") and, following the Bank Merger, the separate corporate existence of Sterling Bank shall cease. Promptly after the date of this Agreement, Webster Bank and Sterling Bank will enter into an agreement and plan of merger in substantially the form set forth in Exhibit C (the "Bank Merger Agreement"). Each of Webster and Sterling shall approve the Bank Merger Agreement and the Bank Merger as the sole stockholder of Webster Bank and Sterling Bank, respectively, and Webster and Sterling shall, and shall cause Webster Bank and Sterling Bank, respectively, to execute certificates or articles of merger and such other documents and certificates as are necessary to make the Bank Merger effective ("Bank Merger Certificates") immediately following the Effective Time. The Bank Merger shall become effective at such time and date as specified in the Bank Merger Agreement in accordance with applicable law, or at such other time as shall be provided by applicable law.

ARTICLE II

EXCHANGE OF SHARES

2.1 Webster to Make Merger Consideration Available. At or prior to the Effective Time, Webster shall deposit, or shall cause to be deposited, with an exchange agent designated by Webster and mutually acceptable to Sterling (the "Exchange Agent"), for the benefit of the holders of Old Certificates (which for purposes of this Article II shall be deemed to include certificates or book-entry account statements representing shares of Sterling Series A Preferred Stock), for exchange in accordance with this Article II, (a) certificates or, at Webster's option, evidence of shares in book-entry form (collectively, referred to herein as "New Certificates"), representing the shares of Webster Common Stock and New Webster Preferred Stock to be issued to holders of Sterling Common Stock and Sterling Series A Preferred Stock, and (b) cash in lieu of any fractional shares (such cash and New Certificates for shares of Webster Common Stock and New Webster Preferred Stock, together with any dividends or distributions with respect thereto, being hereinafter referred to as the "Exchange Fund"), to be issued pursuant to Section 1.5 and Section 1.6 and paid pursuant to Section 2.2(a) in exchange for outstanding shares of Sterling Common Stock.

2.2 Exchange of Shares.

(a) As promptly as practicable after the Effective Time, but in no event later than five (5) business days thereafter, Webster and Sterling shall cause the Exchange Agent to mail to each holder of record of one or more Old Certificates representing shares of Sterling Common Stock or Sterling Series A Preferred Stock immediately prior to the Effective Time that have been converted at the Effective Time into the right to receive the Merger Consideration or shares of New Webster Preferred Stock, as applicable, pursuant to Article I, a letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Old Certificates shall pass, only upon proper delivery of the Old Certificates to the Exchange Agent) and instructions for use in effecting the surrender of the Old Certificates in exchange for New Certificates representing the number of whole shares of Webster Common Stock and any cash in lieu of fractional shares or shares of New Webster Preferred Stock, as applicable, which the shares of Sterling Common Stock or Sterling Series A Preferred Stock represented by such Old Certificate or Old Certificates shall have been converted into the right to receive pursuant to this Agreement as well as any dividends or distributions to be paid pursuant to Section 2.2(b). Upon proper surrender of an Old Certificate or Old Certificates for exchange and cancellation to the Exchange Agent, together with such properly completed letter of transmittal, duly executed, the holder of such Old Certificate or Old Certificates shall be entitled to receive in exchange therefor, as applicable, (i) (A) a New Certificate representing that number of whole shares of

Webster Common Stock to which such holder of Sterling Common Stock shall have become entitled pursuant to the provisions of Article I and (B) a check representing the amount of (x) any cash in lieu of fractional shares which such holder has the right to receive in respect of the Old Certificate or Old Certificates surrendered pursuant to the provisions of this Article II and (y) any dividends or distributions which the holder thereof has the right to receive pursuant to Section 2.2(b), or (ii) (A) a New Certificate representing the number of shares of New Webster Preferred Stock to which such holder of Sterling Series A Preferred Stock shall have become entitled pursuant to the provisions of Article I and (B) any dividends or distributions which the holder thereof has the right to receive pursuant to Section 2.2(b), and the Old Certificate or Old Certificates so surrendered shall forthwith be cancelled. No interest will be paid or accrued on any cash in lieu of fractional shares or dividends or distributions payable to holders of Old Certificates. Until surrendered as contemplated by this Section 2.2, each Old Certificate shall be deemed at any time after the Effective Time to represent only the right to receive, upon surrender, the number of whole shares of Webster Common Stock or shares of New Webster Preferred Stock which the shares of Sterling Common Stock or Sterling Series A Preferred Stock, as applicable, represented by such Old Certificate have been converted into the right to receive and any cash in lieu of fractional shares or in respect of dividends or distributions as contemplated by this Section 2.2.

(b) No dividends or other distributions declared with respect to Webster Common Stock or New Webster Preferred Stock shall be paid to the holder of any unsurrendered Old Certificate until the holder thereof shall surrender such Old Certificate in accordance with this Article II. After the surrender of an Old Certificate in accordance with this Article II, the record holder thereof shall be entitled to receive any such dividends or other distributions, without any interest thereon, which theretofore had become payable with respect to the whole shares of Webster Common Stock or shares of New Webster Preferred Stock which the shares of Sterling Common Stock or Sterling Series A Preferred Stock, as applicable, represented by such Old Certificate have been converted into the right to receive.

(c) If any New Certificate representing shares of Webster Common Stock or New Webster Preferred Stock is to be issued in a name other than that in which the Old Certificate or Old Certificates surrendered in exchange therefor is or are registered, it shall be a condition of the issuance thereof that the Old Certificate or Old Certificates so surrendered shall be properly endorsed (or accompanied by an appropriate instrument of transfer) and otherwise in proper form for transfer, and that the person requesting such exchange shall pay to the Exchange Agent in advance any transfer or other similar Taxes required by reason of the issuance of a New Certificate representing shares of Webster Common Stock or New Webster Preferred Stock in any name other than that of the registered holder of the Old Certificate or Old Certificates surrendered, or required for any other reason, or shall establish to the satisfaction of the Exchange Agent that such Tax has been paid or is not payable.

(d) After the Effective Time, there shall be no transfers on the stock transfer books of Sterling of the shares of Sterling Common Stock or Sterling Series A Preferred Stock that were issued and outstanding immediately prior to the Effective Time. If, after the Effective Time, Old Certificates representing such shares are presented for transfer to the Exchange Agent, they shall be cancelled and exchanged for New Certificates representing shares of Webster Common Stock or New Webster Preferred Stock, as applicable, as provided in this Article II.

(e) Notwithstanding anything to the contrary contained herein, no New Certificates or scrip representing fractional shares of Webster Common Stock shall be issued upon the surrender for exchange of Old Certificates, no dividend or distribution with respect to Webster Common Stock shall be payable on or with respect to any fractional share, and such fractional share interests shall not entitle the owner thereof to vote or to any other rights of a stockholder of Webster. In lieu of the issuance of any such fractional share, Webster shall pay to each former holder of Sterling Common Stock who otherwise would be entitled to receive such fractional share an amount in cash (rounded to the nearest cent) determined by multiplying (i) the average of the closing-sale prices of Webster Common Stock on The New York Stock Exchange (the "NYSE") as reported by *The Wall Street Journal* for the consecutive period of five (5) full trading days ending on the day preceding the Closing Date by (ii) the fraction of a share (after taking into account all shares of Sterling Common Stock held by such holder immediately prior to the Effective Time and rounded to the nearest thousandth when expressed in decimal form) of Webster Common Stock which such holder would otherwise be entitled to receive pursuant to Section 1.5. The parties acknowledge that payment of such cash consideration in lieu of issuing fractional shares is not separately bargained-for consideration, but merely represents a mechanical rounding off for purposes of avoiding the expense and inconvenience that would otherwise be caused by the issuance of fractional shares.

(f) Any portion of the Exchange Fund that remains unclaimed by the holders of Sterling Common stock and Sterling Series A Preferred Stock for twelve (12) months after the Effective Time shall be paid to the Surviving Corporation. Any former holders of Sterling Common Stock and Sterling Series A Preferred Stock who have not theretofore complied with this Article II shall thereafter look only to the Surviving Corporation for payment of the shares of Webster Common Stock and cash in lieu of any fractional shares or shares of New Webster Preferred Stock, as applicable, and any unpaid dividends and distributions on the Webster Common Stock or New Webster Preferred Stock deliverable in respect of each former share of Sterling Common Stock or Sterling Series A Preferred Stock, as applicable, that such stockholder holds as determined pursuant to this Agreement, in each case, without any interest thereon. Notwithstanding the foregoing, none of Webster, Sterling, the Surviving Corporation, the Exchange Agent or any other person shall be liable to any former holder of shares of Sterling Common Stock or Sterling Series A Preferred Stock for any amount delivered in good faith to a public official pursuant to applicable abandoned property, escheat or similar laws.

(g) Webster shall be entitled to deduct and withhold, or cause the Exchange Agent to deduct and withhold, from any cash in lieu of fractional shares of Webster Common Stock, any dividends or distributions payable pursuant to this Section 2.2 or any other consideration otherwise payable pursuant to this Agreement to any holder of Sterling Common Stock, Sterling Series A Preferred Stock or Sterling Equity Awards such amounts as it is required to deduct and withhold with respect to the making of such payment under the Code or any provision of Tax law. To the extent that amounts are so withheld by Webster or the Exchange Agent, as the case may be, and paid over to the appropriate Governmental Entity, the withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of Sterling Common Stock, Sterling Series A Preferred Stock or Sterling Equity Awards in respect of which the deduction and withholding was made by Webster or the Exchange Agent, as the case may be.

(h) In the event any Old Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen or destroyed and, if required by Webster or the Exchange Agent, the posting by such person of a bond in such amount as Webster or the Exchange Agent may determine is reasonably necessary as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent will issue in exchange for such lost, stolen or destroyed Certificate the shares of Webster Common Stock and any cash in lieu of fractional shares, or the shares of New Webster Preferred Stock deliverable in respect thereof pursuant to this Agreement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF STERLING

Except (a) as disclosed in the disclosure schedule delivered by Sterling to Webster concurrently herewith (the "Sterling Disclosure Schedule"); provided, that (i) no such item is required to be set forth as an exception to a representation or warranty if its absence would not result in the related representation or warranty being deemed untrue or incorrect, (ii) the mere inclusion of an item in the Sterling Disclosure Schedule as an exception to a representation or warranty shall not be deemed an admission by Sterling that such item represents a material exception or fact, event or circumstance or that such item would reasonably be expected to result in a Material Adverse Effect, and (iii) any disclosures made with respect to a section of this Article III shall be deemed to qualify (1) any other section of this Article III specifically referenced or cross-referenced and (2) other sections of this Article III to the extent it is reasonably apparent on its face (notwithstanding the absence of a specific cross-reference) from a reading of the disclosure that such disclosure applies to such other sections or (b) as disclosed in any Sterling Reports filed by Sterling after January 1, 2020 and prior to the date hereof (but disregarding risk factor disclosures contained under the heading "Risk Factors," or disclosures of risks set forth in any "forward-looking statements" disclaimer or any other statements that are similarly nonspecific or cautionary, predictive or forward-looking in nature), Sterling hereby represents and warrants to Webster as follows:

3.1 Corporate Organization.

(a) Sterling is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is a bank holding company duly registered under the Bank Holding Company Act of 1956, as amended (the "BHC Act"). Sterling has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted. Sterling is duly licensed or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing, qualification or standing necessary, except where the failure to be so licensed or qualified or to be in good standing would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Sterling. As used in this Agreement, "Material Adverse Effect" means, with respect to Webster, Sterling or the Surviving Corporation, as the case may be, any effect, change, event, circumstance, condition, occurrence or development that, either individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on (i) the business, properties, assets, liabilities, results of operations or financial condition of such party and its Subsidiaries taken as a whole (provided, that, with respect to this clause (i), Material Adverse Effect shall not be deemed to include the impact of (A) changes, after the date hereof, in U.S. generally accepted accounting principles ("GAAP") or applicable regulatory accounting requirements, (B) changes, after the date hereof, in laws, rules or regulations (including the Pandemic Measures) of general applicability to companies in the industries in which such party and its Subsidiaries operate, or interpretations thereof by courts or Governmental Entities, (C) changes, after the date hereof, in global, national or regional political conditions (including the outbreak of war or acts of terrorism) or in economic or market (including equity, credit and debt markets, as well as changes in interest rates) conditions affecting the financial services industry generally and not specifically relating to such party or its Subsidiaries (including any such changes arising out of the Pandemic or any Pandemic Measures), (D) changes, after the date hereof, resulting from hurricanes, earthquakes, tornados, floods or other natural disasters or from any outbreak of any disease or other public health event (including the Pandemic), (E) public disclosure of the execution of this Agreement, public disclosure or consummation of the transactions contemplated hereby (including any effect on a party's relationships with its customers or employees) (it being understood and agreed that the foregoing shall not apply for purposes of the representations and warranties in Sections 3.3(b), 3.4, 3.11(j), 4.3(b), 4.4 or 4.11(j)) or actions expressly required by this Agreement or that are taken with the prior written consent of the other party in contemplation of the transactions contemplated hereby, (F) a decline in the trading price of a party's common stock or the failure, in and of itself, to meet earnings projections or internal financial forecasts (it being understood that the underlying causes of such decline or failure may be taken into account in determining whether a Material Adverse Effect has occurred, except to the extent otherwise excepted by this proviso) or (G) the expenses incurred by Sterling or Webster in negotiating, documenting, effecting and consummating the transactions contemplated by this Agreement; except, with respect to subclauses (A), (B), (C) or (D) to the extent that the effects of such change are materially disproportionately adverse to the business, properties, assets, liabilities, results of operations or financial condition of such party and its Subsidiaries, taken as a whole, as compared to other companies in the industry in which such party and its Subsidiaries operate) or (ii) the ability of such party to timely consummate the transactions contemplated hereby. As used in this Agreement, "Pandemic" means any outbreaks, epidemics or pandemics relating to SARS-CoV-2 or Covid-19, or any variants, evolutions or mutations thereof, or any other viruses (including influenza), and the governmental and other responses thereto; "Pandemic Measures" means any quarantine, "shelter in place," "stay at home," workforce reduction, social distancing, shutdown, closure, sequester or other laws, directives, policies, guidelines or recommendations promulgated by any Governmental Entity, including the Centers for Disease Control and Prevention and the World Health Organization, in each case, in connection with or in response to the Pandemic; "Subsidiary," when used with respect to any person, means any subsidiary of such person within the meaning ascribed to such term in either Rule 1-02 of Regulation S-X promulgated by the SEC or the BHC Act; and "Significant Subsidiaries" shall have the meaning ascribed to it in Rule 1-02 of Regulation S-X promulgated under the Exchange Act. True and complete copies of the Amended and Restated Certificate of Incorporation of Sterling (the "Sterling Certificate") and the Amended and Restated Bylaws of Sterling (the "Sterling Bylaws"), as in effect as of the date of this Agreement, have previously been made available by Sterling to Webster.

(b) Each Subsidiary of Sterling (a "Sterling Subsidiary") (i) is duly organized and validly existing under the laws of its jurisdiction of organization, (ii) is duly qualified to do business and, where such concept is recognized under applicable law, in good standing in all jurisdictions (whether federal, state, local or foreign) where its ownership or leasing of property or the conduct of its business requires it to be so qualified and in which the failure to be so qualified would reasonably be expected to have a Material Adverse Effect on Sterling and (iii) has all requisite corporate power and authority to own or lease its properties and assets and to carry on its business as now conducted. There are no restrictions on the ability of any Subsidiary of Sterling to pay dividends or distributions except, in the case of a Subsidiary that is a regulated entity, for restrictions on dividends or distributions generally applicable to all such regulated entities. The deposit accounts of each Subsidiary of Sterling that is an insured depository institution are insured by the Federal Deposit Insurance Corporation (the "FDIC") through the Deposit Insurance Fund to the fullest extent permitted by law, all premiums and assessments required to be paid in connection therewith have been paid when due, and no proceedings for the termination of such insurance are pending or threatened. Section 3.1(b) of the Sterling Disclosure Schedule sets forth a true and complete list of all Subsidiaries of Sterling as of the date hereof.

3.2 Capitalization.

(a) As of the date of this Agreement, the authorized capital stock of Sterling consists of 310,000,000 shares of Sterling Common Stock and 10,000,000 shares of preferred stock, par value $0.01 per share. As of April 18, 2021, there are (i) 193,160,313 shares of Sterling Common Stock outstanding, including 3,850,200 shares of Sterling Common Stock granted in respect of outstanding Sterling Restricted Stock Awards (assuming performance goals applicable to Sterling Performance Awards are satisfied at the maximum level), (ii) 37,305,440 shares of Sterling Common Stock held in treasury, (iii) 261,675 shares of Sterling Common Stock reserved for issuance upon the exercise of outstanding Sterling Stock Options, (iv) 726,056 shares of Sterling Common Stock reserved for issuance pursuant to future grants under the Sterling Stock Plans, and (v) 135,000 shares of Sterling Series A Preferred Stock outstanding. All hypothetical Sterling Common Stock investments with respect to Sterling Phantom Stock Units represent only the right to receive a payment in cash based on the fair market value of a share of Sterling Common Stock, and zero shares of Sterling Common Stock are reserved for issuance in respect of outstanding Sterling Phantom Stock Units upon the settlement thereof. As of the date of this Agreement, except as set forth in the immediately preceding sentence and for changes since April 18, 2021 resulting from the exercise, vesting or settlement of any Sterling Equity Awards described in the immediately preceding sentence, there are no other shares of capital stock or other equity or voting securities of Sterling issued, reserved for issuance or outstanding. All of the issued and outstanding shares of Sterling Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. There are no bonds, debentures, notes or other indebtedness that have the right to vote on any matters on which stockholders of Sterling may vote. Except as set forth on Section 3.2(a) of the Sterling Disclosure Schedule, no trust preferred or subordinated debt securities of Sterling are issued or outstanding. Other than Sterling Equity Awards issued prior to the date of this Agreement as described in this Section 3.2(a), as of the date of this Agreement there are no outstanding subscriptions, options, warrants, stock appreciation rights, phantom units, scrip, rights to subscribe to, preemptive rights, anti-dilutive rights, rights of first refusal or similar rights, puts, calls, commitments or agreements of any character relating to, or securities or rights convertible or exchangeable into or exercisable for, or valued by reference to, shares of capital stock or other equity or voting securities of or ownership interest in Sterling, or contracts, commitments, understandings or arrangements by which Sterling may become bound to issue additional shares of its capital stock or other equity or voting securities of or ownership interests in Sterling, or that otherwise obligate Sterling to issue, transfer, sell, purchase, redeem or otherwise acquire, any of the foregoing. There are no voting trusts, stockholder agreements, proxies or other agreements in effect to which Sterling is a party or is bound with respect to the voting or transfer of Sterling Common Stock or other equity interests of Sterling.

(b) Sterling owns, directly or indirectly, all of the issued and outstanding shares of capital stock or other equity ownership interests of each of the Sterling Subsidiaries, free and clear of any liens, pledges, charges, encumbrances and security interests whatsoever ("Liens"), and all of such shares or equity ownership interests are duly authorized and validly issued and are fully paid, nonassessable (except, with respect to bank Subsidiaries, as provided under 12 U.S.C. § 55 or any comparable provision of applicable state law) and free of preemptive rights, with no personal liability attaching to the ownership thereof. No Sterling Subsidiary has or is bound by any outstanding subscriptions, options, warrants, calls, rights, commitments or agreements of any character calling for the purchase or issuance of any shares of capital stock or any other equity security of such Subsidiary or any securities representing the right to purchase or otherwise receive any shares of capital stock or any other equity security of such Subsidiary.

3.3 Authority; No Violation.

(a) Sterling has full corporate power and authority to execute and deliver this Agreement and, subject to the stockholder and other actions described below, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby (including the Merger and the Bank Merger) have been duly and validly approved by the Board of Directors of Sterling. The Board of Directors of Sterling has determined that the Merger, on the terms and conditions set forth in this Agreement, is in the best interests of Sterling and its stockholders and has directed that this Agreement and the transactions contemplated hereby be submitted to Sterling's stockholders for adoption at a meeting of such stockholders and has adopted a resolution to the foregoing effect. Except for (i) the adoption of this Agreement by the affirmative vote of the holders of a majority of the outstanding shares of Sterling Common Stock entitled to vote on this Agreement (the "Requisite Sterling Vote") and (ii) the adoption and approval of the Bank Merger Agreement by the Board of Directors of Sterling Bank and Sterling as Sterling Bank's sole stockholder, no other corporate proceedings on the part of Sterling are necessary to approve this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Sterling and (assuming due authorization, execution and delivery by Webster) constitutes a valid and binding obligation of Sterling, enforceable against Sterling in accordance with its terms (except in all cases as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or similar laws affecting the rights of creditors generally and the availability of equitable remedies (the "Enforceability Exceptions")).

(b) Neither the execution and delivery of this Agreement by Sterling nor the consummation by Sterling of the transactions contemplated hereby, including the Bank Merger, nor compliance by Sterling with any of the terms or provisions hereof, will (i) violate any provision of the Sterling Certificate or the Sterling Bylaws or (ii) assuming that the consents and approvals referred to in Section 3.4 are duly obtained, (x) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to Sterling or any of its Subsidiaries or any of their respective properties or assets or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of Sterling or any of its Subsidiaries under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Sterling or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound, except (in the case of clauses (x) and (y) above) for such violations, conflicts, breaches or defaults which, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Sterling.

3.4 Consents and Approvals. Except for (a) the filing of any required applications, filings and notices, as applicable, with the NYSE, (b) the filing of any required applications, filings and notices, as applicable, with the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") under the BHC Act and approval of such applications, filings and notices, (c) the filing of any required applications, filings and notices, as applicable, with the Office of the Comptroller of the Currency (the "OCC") in connection with the Bank Merger, and approval of such applications, filings and notices, (d) the filing of any required applications, filings or notices with any state banking or insurance authorities listed on Section 3.4 of the Sterling Disclosure Schedule or Section 4.4 of the Webster Disclosure Schedule and approval of such applications, filings and notices, (e) the filing with the Securities and Exchange Commission (the "SEC") of a joint proxy statement in definitive form relating to the meetings of Sterling's and Webster's stockholders to be held in connection with this Agreement and the transactions contemplated hereby (including any amendments or supplements thereto, the "Joint Proxy Statement"), and of the registration statement on Form S-4 in which the Joint Proxy Statement will be included as a prospectus, to be filed with the SEC by Webster in connection with the transactions contemplated by this Agreement (the "S-4") and the declaration of effectiveness of the S-4, (f) the filing of the Webster Certificate Amendment, the Certificate of Merger and the Certificate of Designations for the New Webster Preferred Stock with the Delaware Secretary pursuant to the DGCL and the filing of the Bank Merger Certificates and (g) such filings and approvals as are required to be made or obtained under the securities or "Blue Sky" laws of various states in connection with the issuance of the shares of Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) pursuant to this Agreement and the approval of the listing of such Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) on the NYSE, no consents or approvals of or filings or registrations with any court, administrative agency or commission or other governmental authority or instrumentality or SRO (each a "Governmental Entity") are necessary in connection with (i) the execution and delivery by Sterling of this Agreement or (ii) the consummation by Sterling of the Merger and the other transactions contemplated hereby (including the Bank Merger). As of the date hereof, Sterling is not aware of any reason why the necessary regulatory approvals and consents will not be received in order to permit consummation of the Merger and Bank Merger on a timely basis.

3.5 Reports.

(a) Sterling and each of its Subsidiaries have timely filed (or furnished) all reports, registrations and statements, together with any amendments required to be made with respect thereto, that they were required to file (or furnish, as applicable) since January 1, 2019 with (i) any state regulatory authority, (ii) the SEC, (iii) the Federal Reserve Board, (iv) the FDIC, (v) the OCC, (vi) any foreign regulatory authority and (vii) any self-regulatory organization (an "SRO") ((i) – (vii), collectively, "Regulatory Agencies"), including, without limitation, any report, registration or statement required to be filed (or furnished, as applicable) pursuant to the laws, rules or regulations of the United States, any state, any foreign entity, or any Regulatory Agency, and have paid all fees and assessments due and payable in connection therewith, except where the failure to file (or furnish, as applicable) such report, registration or statement or to pay such fees and assessments, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Sterling. Subject to Section 9.14, except as set forth on Section 3.5(a) of the Sterling Disclosure Schedule and for normal examinations conducted by a Regulatory Agency in the ordinary course of business of Sterling and its Subsidiaries, (i) no Regulatory Agency has initiated or has pending any proceeding or, to the knowledge of Sterling, investigation into the business or operations of Sterling or any of its Subsidiaries since January 1, 2019, (ii) there is no unresolved violation, criticism, or exception by any Regulatory Agency with respect to any report or statement relating to any examinations or inspections of Sterling or any of its Subsidiaries, and (iii) there has been no formal or informal inquiries by, or disagreements or disputes with, any Regulatory Agency with respect to the business, operations, policies or procedures of Sterling or any of its Subsidiaries since January 1, 2019; in the case of each of clauses (i) through (iii), which would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Sterling.

(b) An accurate copy of each final registration statement, prospectus, report, schedule and definitive proxy statement filed with or furnished by Sterling to the SEC since December 31, 2018 pursuant to the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act (the "Sterling Reports") is publicly available. No such Sterling Report, as of the date thereof (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of the relevant meetings, respectively), contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading, except that information filed or furnished as of a later date (but before the date of this Agreement) shall be deemed to modify information as of an earlier date. As of their respective dates, all Sterling Reports filed under the Securities Act and the Exchange Act complied in all material respects with the published rules and regulations of the SEC with respect thereto. As of the date of this Agreement, no executive officer of Sterling has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). As of the date of this Agreement, there are no outstanding comments from or unresolved issues raised by the SEC with respect to any of the Sterling Reports.

3.6 Financial Statements.

(a) The financial statements of Sterling and its Subsidiaries included (or incorporated by reference) in the Sterling Reports (including the related notes, where applicable) (i) have been prepared from, and are in accordance with, the books and records of Sterling and its Subsidiaries, (ii) fairly present in all material respects the consolidated results of operations, cash flows, changes in stockholders' equity and consolidated financial position of Sterling and its Subsidiaries for the respective fiscal periods or as of the respective dates therein set forth (subject in the case of unaudited statements to year-end audit adjustments normal in nature and amount), (iii) complied, as of their respective dates of filing with the SEC, in all material respects with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto, and (iv) have been prepared in accordance with GAAP consistently applied during the periods involved, except, in each case, as indicated in such statements or in the notes thereto. The books and records of Sterling and its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP and any other applicable legal and accounting requirements and reflect only actual transactions. Since January 1, 2017, no independent public accounting firm of Sterling has resigned (or informed Sterling that it intends to resign) or been dismissed as independent public accountants of Sterling as a result of, or in connection with, any disagreements with Sterling on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

(b) Except as would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Sterling, neither Sterling nor any of its Subsidiaries has any liability (whether absolute, accrued, contingent or otherwise and whether due or to become due), except for those liabilities that are reflected or reserved against on the consolidated balance sheet of Sterling included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (including any notes thereto) and for liabilities incurred in the ordinary course of business since December 31, 2020, or in connection with this Agreement and the transactions contemplated hereby.

(c) The records, systems, controls, data and information of Sterling and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of Sterling or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Sterling. Sterling (x) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) to ensure that material information relating to Sterling, including its Subsidiaries, is made known to the chief executive officer and the chief financial officer of Sterling by others within those entities as appropriate to allow timely decisions regarding required disclosures and to make the certifications required by the Exchange Act and Sections 302 and 906 of the Sarbanes-Oxley Act, and (y) has disclosed, based on its most recent evaluation prior to the date hereof, to Sterling's outside auditors and the audit committee of Sterling's Board of Directors (i) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) which would reasonably be expected to adversely affect

Sterling's ability to record, process, summarize and report financial information, and (ii) to the knowledge of Sterling, any fraud, whether or not material, that involves management or other employees who have a significant role in Sterling's internal controls over financial reporting. To the knowledge of Sterling, there is no reason to believe that Sterling's outside auditors and its chief executive officer and chief financial officer will not be able to give the certifications and attestations required pursuant to the rules and regulations adopted pursuant to Section 404 of the Sarbanes-Oxley Act, without qualification, when next due.

(d) Since January 1, 2019, (i) neither Sterling nor any of its Subsidiaries, nor, to the knowledge of Sterling, any director, officer, auditor, accountant or representative of Sterling or any of its Subsidiaries, has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods (including with respect to loan loss reserves, write-downs, charge-offs and accruals) of Sterling or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that Sterling or any of its Subsidiaries has engaged in questionable accounting or auditing practices, and (ii) no attorney representing Sterling or any of its Subsidiaries, whether or not employed by Sterling or any of its Subsidiaries, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by Sterling or any of its officers, directors, employees or agents to the Board of Directors of Sterling or any committee thereof or, to the knowledge of Sterling, to any director or officer of Sterling.

3.7 Broker's Fees. With the exception of the engagement of Citigroup Global Markets Inc. ("Citigroup") and Keefe, Bruyette & Woods, Inc., a Stifel Company ("KBW"), neither Sterling nor any Sterling Subsidiary nor any of their respective officers or directors has employed any broker, finder or financial advisor or incurred any liability for any broker's fees, commissions or finder's fees in connection with the Merger or related transactions contemplated by this Agreement. Sterling has disclosed to Webster as of the date hereof the aggregate fees provided for in connection with the engagement by Sterling of Citigroup and KBW, related to the Merger and the other transactions contemplated hereby.

3.8 Absence of Certain Changes or Events.

(a) Since December 31, 2020, no event or events have occurred that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Sterling.

(b) Except as set forth on Section 3.8(b) of the Sterling Disclosure Schedule and in connection with the transactions contemplated by this Agreement, since December 31, 2020, Sterling and its Subsidiaries have carried on their respective businesses in all material respects in the ordinary course.

3.9 Legal Proceedings.

(a) Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect on Sterling, neither Sterling nor any of its Subsidiaries is a party to any, and there are no pending or, to Sterling's knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against Sterling or any of its Subsidiaries or any of their current or former directors or executive officers or challenging the validity or propriety of the transactions contemplated by this Agreement.

(b) There is no injunction, order, judgment, decree, or regulatory restriction imposed upon Sterling, any of its Subsidiaries or the assets of Sterling or any of its Subsidiaries (or that, upon consummation of the Merger, would apply to the Surviving Corporation or any of its affiliates) that would reasonably be expected to be material to Sterling and its Subsidiaries, taken as a whole.

3.10 Taxes and Tax Returns.

(a) Each of Sterling and its Subsidiaries has duly and timely filed (including all applicable extensions) all material Tax Returns in all jurisdictions in which Tax Returns are required to be filed by it, and all such Tax Returns are true, correct, and complete in all material respects. Neither Sterling nor any of its Subsidiaries is the beneficiary of any extension of time within which to file any material Tax Return (other than extensions to file Tax Returns obtained in the ordinary course). All material Taxes of Sterling and its Subsidiaries (whether or not shown on any Tax Returns) that are due have been fully and timely paid. Each of Sterling and its Subsidiaries has withheld and paid all material Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, creditor, stockholder, independent contractor or other third party. Neither Sterling nor any of its Subsidiaries has granted any extension or waiver of the limitation period applicable to any material Tax that remains in effect. The federal income Tax Returns of Sterling and its Subsidiaries for all years to and including 2019 have been examined by the Internal Revenue Service (the "IRS") or are Tax Returns with respect to which the applicable period for assessment under applicable law, after giving effect to extensions or waivers, has expired. Neither Sterling nor any of its Subsidiaries has received written notice of assessment or proposed assessment in connection with any material amount of Taxes, and there are no threatened in writing or pending disputes, claims, audits, examinations or other proceedings regarding any material Tax of Sterling and its Subsidiaries or the assets of Sterling and its Subsidiaries. Sterling has made available to Webster true and complete copies of any private letter ruling requests, closing agreements or gain recognition agreements with respect to Taxes requested or executed in the last six (6) years. Neither Sterling nor any of its Subsidiaries is a party to or is bound by any Tax sharing, allocation or indemnification agreement or arrangement (other than such an agreement or arrangement exclusively between or among Sterling and its Subsidiaries). Neither Sterling nor any of its Subsidiaries (a) has been a member of an affiliated group filing a consolidated federal income Tax Return (other than a group the common parent of which was Sterling) or (b) has any liability for the Taxes of any person (other than Sterling or any of its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise. Neither Sterling nor any of its Subsidiaries has been, within the past two (2) years or otherwise as part of a "plan (or series of related transactions)" within the meaning of Section 355(e) of the Code of which the Merger is also a part, a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intending to qualify for tax-free treatment under Section 355 of the Code. Neither Sterling nor any of its Subsidiaries has participated in a "reportable transaction" within the meaning of Treasury Regulation Section 1.6011-4(b)(1). At no time during the past five (5) years has Sterling been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code.

(b) As used in this Agreement, "Tax" or "Taxes" means all federal, state, local, and foreign income, excise, gross receipts, ad valorem, profits, gains, property, capital, sales, transfer, use, license, payroll, employment, social security, severance, unemployment, withholding, duties, excise, windfall profits, intangibles, franchise, backup withholding, value added, alternative or add-on minimum, estimated and other taxes, charges, levies or like assessments together with all penalties and additions to tax and interest thereon.

(c) As used in this Agreement, "Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof, supplied or required to be supplied to a Governmental Entity.

3.11 Employees and Employee Benefit Plans.

(a) Section 3.11(a) of the Sterling Disclosure Schedule lists all material Sterling Benefit Plans. For purposes of this Agreement, "Sterling Benefit Plans" means all employee benefit plans (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), whether or not subject to ERISA, and all stock option, stock purchase, restricted stock, incentive, deferred compensation, retiree medical or life insurance, supplemental retirement, severance or other benefit plans, programs or arrangements, retention, bonus, employment, change in control, termination or severance plans, programs, agreements or arrangements that are maintained, contributed to or sponsored or maintained by, or required to be contributed to, Sterling or any of its Subsidiaries for the benefit of any current or former employee, officer or director of Sterling or any of its Subsidiaries, excluding, in each case, any Multiemployer Plan.

(b) Sterling has heretofore made available to Webster true and complete copies of (i) each material Sterling Benefit Plan, including any amendments thereto and all related trust documents, insurance contracts or other funding vehicles, and (ii) to the extent applicable, (A) the most recent summary plan description, if any, required under ERISA with respect to such Sterling Benefit Plan, (B) the most recent annual report (Form 5500), if any, filed with the IRS, (C) the most recently received IRS determination letter, if any, relating to such Sterling Benefit Plan, (D) the most recently prepared actuarial report for each Sterling Benefit Plan (if applicable), and (E) all material non-routine correspondence to or from any Governmental Entity received in the last three (3) years with respect to such Sterling Benefit Plan.

(c) Each Sterling Benefit Plan has been established, operated and administered in all material respects in accordance with its terms and the requirements of all applicable laws, including ERISA and the Code.

(d) Section 3.11(d) of the Sterling Disclosure Schedule identifies each Sterling Benefit Plan that is intended to be qualified under Section 401(a) of the Code (the

"Sterling Qualified Plans"). The IRS has issued a favorable determination letter with respect to each Sterling Qualified Plan and the related trust, and, to the knowledge of Sterling, there are no existing circumstances and no events have occurred that would reasonably be expected to adversely affect the qualified status of any Sterling Qualified Plan or the related trust.

(e) With respect to each Sterling Benefit Plan that is subject to Title IV or Section 302 of ERISA or Section 412, 430 or 4971 of the Code: (i) no such Sterling Benefit Plan is in "at-risk" status for purposes of Section 430 of the Code, (ii) no reportable event within the meaning of Section 4043(c) of ERISA for which the 30-day notice requirement has not been waived has occurred, (iii) all premiums to the Pension Benefit Guaranty Corporation (the "PBGC") have been timely paid in full, (iv) no material liability (other than for premiums to the PBGC) under Title IV of ERISA has been or is reasonably expected to be incurred by Sterling or any of its Subsidiaries, and (v) the PBGC has not instituted proceedings to terminate any such Sterling Benefit Plan. No Controlled Group Liability has been incurred by Sterling or its ERISA Affiliates that has not been satisfied in full, and, to the knowledge of Sterling, no condition exists that presents a material risk to Sterling or its ERISA Affiliates of incurring any such liability, except as, either individually or in the aggregate, would not reasonably be expected to result in any material liability to Sterling and its Subsidiaries. For purposes of this Agreement, "Controlled Group Liability" means any and all liabilities (1) under Title IV of ERISA, (2) under Section 302 of ERISA, (3) under Sections 412 and 4971 of the Code, and (4) as a result of a failure to comply with the continuing coverage requirements of Section 601 *et seq*. of ERISA and Section 4980B of the Code.

(f) None of Sterling, any of its Subsidiaries or any of their respective ERISA Affiliates has, at any time during the last six (6) years, contributed to or been obligated to contribute to any plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA (a "Multiemployer Plan") or a plan that has two or more contributing sponsors, at least two of whom are not under common control, within the meaning of Section 4063 of ERISA (a "Multiple Employer Plan"), and none of Sterling, any of its Subsidiaries or any of their respective ERISA Affiliates has incurred any material liability to a Multiemployer Plan or a Multiple Employer Plan as a result of a complete or partial withdrawal (as those terms are defined in Part I of Subtitle E of Title IV of ERISA) from a Multiemployer Plan or a Multiple Employer Plan that has not been satisfied in full. For purposes of this Agreement, "ERISA Affiliate" means, with respect to any entity, trade or business, any other entity, trade or business that is, or was at the relevant time, a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes or included the first entity, trade or business, or that is, or was at the relevant time, a member of the same "controlled group" as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA.

(g) Except as set forth on Section 3.11(g) of the Sterling Disclosure Schedule, neither Sterling nor any of its Subsidiaries sponsors, has sponsored or has any obligation with respect to any employee benefit plan that provides for any post-employment or post-retirement health or medical or life insurance benefits for retired or former employees or their dependents, except as required by Section 4980B of the Code.

(h) All contributions required to be made to any Sterling Benefit Plan by applicable law or by any plan document, and all premiums due or payable with respect to insurance policies funding any Sterling Benefit Plan, for any period through the date hereof, have been timely made or paid in full or, to the extent not required to be made or paid on or before the date hereof, have been fully reflected on the books and records of Sterling, except as, either individually or in the aggregate, would not reasonably be expected to result in any material liability to Sterling and its Subsidiaries.

(i) There are no pending or threatened claims (other than claims for benefits in the ordinary course), lawsuits or arbitrations that have been asserted or instituted, and, to Sterling's knowledge, no set of circumstances exists that may reasonably be expected to give rise to a claim or lawsuit, against the Sterling Benefit Plans, any fiduciaries thereof with respect to their duties to the Sterling Benefit Plans or the assets of any of the trusts under any of the Sterling Benefit Plans, except as, either individually or in the aggregate, would not reasonably be expected to result in any material liability to Sterling and its Subsidiaries.

(j) Except as set forth on Section 3.11(j) of the Sterling Disclosure Schedule, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (either alone or in conjunction with any other event) (i) entitle any employee, officer, director or individual independent contractor of Sterling or any of its Subsidiaries to any payment or benefit, (ii) result in, accelerate, cause the vesting, exercisability, funding, payment or delivery of, or increase in the amount or value of, any payment, right or other benefit to any employee, officer, director or independent contractor of Sterling or any of its Subsidiaries, (iii) accelerate the timing of or cause Sterling or any of its Subsidiaries to transfer or set aside any assets to fund any material benefits under any Sterling Benefit Plan, or (iv) result in any limitation on the right of Sterling or any of its Subsidiaries to amend, merge, terminate or receive a reversion of assets from any Sterling Benefit Plan or related trust. Without limiting the generality of the foregoing, no amount paid or payable (whether in cash, in property, or in the form of benefits) by Sterling or any of its Subsidiaries in connection with the transactions contemplated hereby (either solely as a result thereof or as a result of such transactions in conjunction with any other event) will be an "excess parachute payment" within the meaning of Section 280G of the Code.

(k) Neither Sterling nor any of its Subsidiaries is a party to any plan, program, agreement or arrangement that provides for the gross-up or reimbursement of Taxes imposed under Section 4999 of the Code (or any corresponding provisions of state or local law relating to Tax).

(l) There are no pending or, to the knowledge of Sterling, threatened material labor grievances or material unfair labor practice claims or charges against Sterling or any of its Subsidiaries, or any strikes or other material labor disputes against Sterling or any of its Subsidiaries. Neither Sterling nor any of its Subsidiaries is party to or bound by any collective bargaining or similar agreement with any labor organization, or work rules or practices agreed to with any labor organization or employee association applicable to employees of Sterling or any of its Subsidiaries and, to the knowledge of Sterling, there are no organizing efforts by any union or other group seeking to represent any employees of Sterling and its Subsidiaries.

(m) Sterling and its Subsidiaries are in compliance in all material respects with, and since December 31, 2018 have complied in all material respects with, all laws regarding employment and employment practices, terms and conditions of employment, wages and hours, paid sick leave, classification of employees and independent contractors, equitable pay practices, privacy rights, labor disputes, employment discrimination, sexual or racial harassment or discrimination, workers' compensation or long-term disability policies, retaliation, immigration, family and medical leave, occupational safety and health and other laws in respect of any reduction in force (including notice, information and consultation requirements).

(n) (i) To the knowledge of Sterling, no written allegations of sexual or racial harassment or sexual or race-based misconduct have been made since December 31, 2018 against any Sterling Insider, (ii) since December 31, 2018, neither Sterling nor any of its Subsidiaries has entered into any settlement agreement related to allegations of sexual or racial harassment or sexual or race-based misconduct by any Sterling Insider, and (iii) there are no proceedings currently pending or, to the knowledge of Sterling, threatened related to any allegations of sexual or racial harassment or sexual or race-based misconduct by any Sterling Insider.

3.12 Compliance with Applicable Law. Sterling and each of its Subsidiaries hold, and have at all times since December 31, 2018, held, all licenses, franchises, permits and authorizations necessary for the lawful conduct of their respective businesses and ownership of their respective properties, rights and assets under and pursuant to each (and have paid all fees and assessments due and payable in connection therewith), except where neither the cost of failure to hold nor the cost of obtaining and holding such license, franchise, permit or authorization (nor the failure to pay any fees or assessments) would, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Sterling, and, to the knowledge of Sterling, no suspension or cancellation of any such necessary license, franchise, permit or authorization is threatened. Sterling and each of its Subsidiaries have complied in all material respects with and are not in material default or violation under any applicable law, statute, order, rule, regulation, policy and/or guideline of any Governmental Entity relating to Sterling or any of its Subsidiaries, including all laws relating to the privacy and security of data or information that constitutes personal data or personal information under applicable law ("Personal Data"), the USA PATRIOT Act, the Bank Secrecy Act, the Equal Credit Opportunity Act and Regulation B, the Fair Housing Act, the Community Reinvestment Act, the Fair Credit Reporting Act, the Truth in Lending Act and Regulation Z, the Home Mortgage Disclosure Act, the Fair Debt Collection Practices Act, the Electronic Fund Transfer Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, any regulations promulgated by the Consumer Financial Protection Bureau, the Interagency Policy Statement on Retail Sales of Nondeposit Investment Products, the SAFE Mortgage Licensing Act of 2008, the Real Estate Settlement Procedures Act and Regulation X, and any other laws relating to bank secrecy, discriminatory lending, financing or leasing practices, consumer protection, money laundering prevention, foreign assets control, U.S. sanctions laws and regulations, Sections 23A and 23B of the Federal Reserve Act, the Sarbanes-Oxley Act, and all agency requirements relating to the origination, sale and servicing of mortgage and consumer loans. Each of Sterling's Subsidiaries that is an insured depository institution has a Community Reinvestment Act rating of "satisfactory" or better. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect on Sterling, none of Sterling, or any of its Subsidiaries or, to the knowledge of Sterling, any director, officer, employee, agent or other person acting on behalf of Sterling or any of its Subsidiaries has, directly or indirectly, (a) used any funds of Sterling or any of its Subsidiaries for unlawful contributions, unlawful gifts, unlawful entertainment or other expenses relating to political activity, (b) made any unlawful payment to foreign or domestic governmental officials or employees or to foreign or domestic political parties or campaigns from funds of Sterling or any of its Subsidiaries, (c) violated any provision that would result in the violation of the Foreign Corrupt Practices Act of 1977, as amended, or any similar law, (d) established or maintained any unlawful fund of monies or other assets of Sterling or any of its Subsidiaries, (e) made any fraudulent entry on the books or records of Sterling or any of its Subsidiaries, or (f) made any unlawful bribe, unlawful rebate, unlawful payoff, unlawful influence payment, unlawful kickback or other unlawful payment to any person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business to obtain special concessions for Sterling or any of its Subsidiaries, to pay for favorable treatment for business secured or to pay for special concessions already obtained for Sterling or any of its Subsidiaries, or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department. Sterling maintains a written information privacy and security program that maintains reasonable measures to protect the privacy, confidentiality and security of all Personal Data against any (i) loss or misuse of Personal Data, (ii) unauthorized or unlawful operations performed upon Personal Data or (iii) other act or omission that compromises the security or confidentiality of Personal Data (clauses (i) through (iii), a "Security Breach"). To the knowledge of Sterling, Sterling has not experienced any Security Breach that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Sterling. To the knowledge of Sterling, there are no data security or other technological vulnerabilities with respect to Sterling's information technology systems or networks that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Sterling. Except as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Sterling: (i) Sterling Bank has complied in all material respects with all requirements of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (the "CARES Act") and the Paycheck Protection Program, including applicable guidance, in connection with its participation in the Paycheck Protection Program; (ii) Sterling and each of its Subsidiaries have properly administered all accounts for which it acts as a fiduciary, including accounts for which it serves as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents and applicable state, federal and foreign law; and (iii) none of Sterling, any of its Subsidiaries, or any of its or its Subsidiaries' directors, officers or employees, has committed any breach of trust or fiduciary duty with respect to any such fiduciary account, and the accountings for each such fiduciary account are true, correct and complete and accurately reflect the assets and results of such fiduciary account.

3.13 Certain Contracts.

(a) Except as set forth in Section 3.13(a) of the Sterling Disclosure Schedule or as filed with or incorporated into any Sterling Report filed prior to the date hereof, as of the date hereof, neither Sterling nor any of its Subsidiaries is a party to or bound by any contract, arrangement, commitment or understanding (whether written or oral, but excluding any Sterling Benefit Plan): (i) which is a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC); (ii) which contains a provision that materially restricts the conduct on any line of business by Sterling or any of its Subsidiaries or upon consummation of the transactions contemplated by this Agreement will materially restrict the ability of the Surviving Corporation or any of its affiliates to engage in any line of business or in any geographic region (including any exclusivity or exclusive dealing provisions with such an effect); (iii) which is a collective bargaining agreement or similar agreement with any labor organization; (iv) any of the benefits of or obligations under which will arise or be increased or accelerated by the occurrence of the execution and delivery of this Agreement, receipt of the Requisite Sterling Vote or the announcement or consummation of any of the transactions contemplated by this Agreement, or under which a right of cancellation or termination will arise as a result thereof, or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement, where such increase or acceleration of benefits or obligations, right of cancellation or termination, or change in calculation of value of benefits would, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Sterling; (v) (A) that relates to the incurrence of indebtedness by Sterling or any of its Subsidiaries, including any sale and leaseback transactions, capitalized leases and other similar financing arrangements (other than deposit liabilities, trade payables, federal funds purchased, advances and loans from the Federal Home Loan Bank and securities sold under agreements to repurchase, in each case incurred in the ordinary course of business), (B) that provides for the guarantee, support, assumption or endorsement by Sterling or any of its Subsidiaries of, or any similar commitment by Sterling or any of its Subsidiaries with respect to, the obligations, liabilities or indebtedness of any other person, in the case of each of clauses (A) and (B), in the principal amount of $15,000,000 or more, or (C) that provides for any material indemnification or similar obligations on the part of Sterling or any of its Subsidiaries; (vi) that grants any right of first refusal, right of first offer or similar right with respect to any material assets, rights or properties of Sterling or its Subsidiaries, taken as a whole; (vii) which creates future payment obligations in excess of $5,000,000 per annum other than any such contracts which are terminable by Sterling or any of its Subsidiaries on sixty (60) days or less notice without any required payment or other conditions, other than extensions of credit, other customary banking products offered by Sterling or its Subsidiaries, or derivatives issued or entered into in the ordinary course of business; (viii) that is a settlement, consent or similar agreement and contains any material continuing obligations of Sterling or any of its Subsidiaries; or (ix) that relates to the acquisition or disposition of any person, business or asset and under which Sterling or its Subsidiaries have or may have a material obligation or liability. Each contract, arrangement, commitment or understanding of the type described in this Section 3.13(a) (excluding any Sterling Benefit Plan), whether or not set forth in the Sterling Disclosure Schedule, is referred to herein as a "Sterling Contract." Sterling has made available to Webster true, correct and complete copies of each Sterling Contract in effect as of the date hereof.

(b) In each case, except as, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Sterling, (i) each Sterling Contract is valid and binding on Sterling or one of its Subsidiaries, as applicable, and in full force and effect, (ii) Sterling and each of its Subsidiaries has in all material respects complied with and performed all obligations required to be performed by it to date under each Sterling Contract, (iii) to the knowledge of Sterling, each third-party counterparty to each Sterling Contract has in all material respects complied with and performed all obligations required to be performed by it to date under such Sterling Contract, (iv) Sterling does not have knowledge of, and has not received notice of, any violation of any Sterling Contract by any of the other parties thereto, (v) no event or condition exists which constitutes or, after notice or lapse of time or both, will constitute, a material breach or default on the part of Sterling or any of its Subsidiaries, or to the knowledge of Sterling, any other party thereto, of or under any such Sterling Contract and (vi) no third-party counterparty to any Sterling Contract has exercised or threatened in writing to exercise any force majeure (or similar) provision to excuse non-performance or performance delays in any Sterling Contract as a result of the Pandemic or the Pandemic Measures.

3.14 Agreements with Regulatory Agencies. Subject to Section 9.14, neither Sterling nor any of its Subsidiaries is subject to any cease-and-desist or other order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any order or directive by, or has been ordered to pay any civil money penalty by, or has been since January 1, 2019, a recipient of any supervisory letter from, or since January 1, 2019, has adopted any policies, procedures or board resolutions at the request or suggestion of, any Regulatory Agency or other Governmental Entity that currently restricts in any material respect or would reasonably be expected to restrict in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its ability to pay dividends, its credit or risk management policies, its management or its business (each, whether or not set forth in the Sterling Disclosure Schedule, a "Sterling Regulatory Agreement"), nor has Sterling or any of its Subsidiaries been advised in writing since January 1, 2019, by any Regulatory Agency or other Governmental Entity that it is considering issuing, initiating, ordering, or requesting any such Sterling Regulatory Agreement.

3.15 Risk Management Instruments. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Sterling, (a) all interest rate swaps, caps, floors, option agreements, futures and forward contracts and other similar derivative transactions and risk management arrangements, whether entered into for the account of Sterling, any of its Subsidiaries or for the account of a customer of Sterling or one of its Subsidiaries, were entered into in the ordinary course of business and in accordance with applicable rules, regulations and policies of any Regulatory Agency and with counterparties believed to be financially responsible at the time and are legal, valid and binding obligations of Sterling or one of its Subsidiaries enforceable in accordance with their terms (except as may be limited by the Enforceability Exceptions), and are in full force and effect; and (b) Sterling and each of its Subsidiaries have duly performed in all material respects all of their material obligations thereunder to the extent that such obligations to perform have accrued, and, to Sterling's knowledge, there are no material breaches, violations or defaults or allegations or assertions of such by any party thereunder.

3.16 Environmental Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Sterling, Sterling and its Subsidiaries are in compliance, and have complied since January 1, 2019, with each federal, state or local law, regulation, order, decree, permit, authorization, common law or agency requirement relating to: (a) the protection or restoration of the environment, health and safety as it relates to hazardous substance exposure or natural resource damages, (b) the handling, use, presence, disposal, release or threatened release of, or exposure to, any hazardous substance, or (c) noise, odor, wetlands, indoor air, pollution, contamination or any injury to persons or property from exposure to any hazardous substance (collectively, "Environmental Laws"). There are no legal, administrative, arbitral or other proceedings, claims or actions or, to the knowledge of Sterling, any private environmental investigations or remediation activities or governmental investigations of any nature seeking to impose, or that could reasonably be expected to result in the imposition, on Sterling or any of its Subsidiaries of any liability or obligation arising under any Environmental Law, pending or threatened against Sterling, which liability or obligation would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Sterling. To the knowledge of Sterling, there is no reasonable basis for any such proceeding, claim, action or governmental investigation that would impose any liability or obligation that would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Sterling.

3.17 Investment Securities and Commodities.

(a) Each of Sterling and its Subsidiaries has good title in all material respects to all securities and commodities owned by it (except those sold under repurchase agreements), free and clear of any Liens, except as set forth in the financial statements included in the Sterling Reports or to the extent such securities or commodities are pledged in the ordinary course of business to secure obligations of Sterling or its Subsidiaries. Such securities and commodities are valued on the books of Sterling in accordance with GAAP in all material respects.

(b) Sterling and its Subsidiaries and their respective businesses employ investment, securities, commodities, risk management and other policies, practices and procedures that Sterling believes are prudent and reasonable in the context of such businesses. Prior to the date of this Agreement, Sterling has made available to Webster the material terms of such policies, practices and procedures.

3.18 Real Property. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Sterling, (a) Sterling or a Sterling Subsidiary has good and marketable title to all the real property reflected in the latest audited balance sheet included in the Sterling Reports as being owned by Sterling or a Sterling Subsidiary or acquired after the date thereof (except properties sold or otherwise disposed of since the date thereof in the ordinary course of business) (the "Sterling Owned Properties"), free and clear of all Liens, except (i) statutory Liens securing payments not yet due, (ii) Liens for real property Taxes not yet due and payable, (iii) easements, rights of way, and other similar encumbrances that do not materially affect the value or use of the properties or assets subject thereto or affected thereby or otherwise materially impair business operations at such properties and (iv) such imperfections or irregularities of title or Liens as do not materially affect the value or use of the properties or assets subject thereto or affected thereby or otherwise materially impair business operations at such properties (clauses (i) through (iv), collectively, "Permitted Encumbrances"), and (b) is the lessee of all leasehold estates reflected in the latest audited financial statements included in such Sterling Reports or acquired after the date thereof (except for leases that have expired by their terms since the date thereof) (collectively with Sterling Owned Properties, the "Sterling Real Property"), free and clear of all Liens of any nature whatsoever, except for Permitted Encumbrances, and is in possession of the properties purported to be leased thereunder, and each such lease is valid without default thereunder by the lessee or, to the knowledge of Sterling, the lessor. There are no pending or, to the knowledge of Sterling, threatened condemnation proceedings against Sterling Real Property.

3.19 Intellectual Property. Sterling and each of its Subsidiaries owns, or is licensed to use (in each case, free and clear of any material Liens), all Intellectual Property necessary for the conduct of its business as currently conducted. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Sterling, (a) (i) to the knowledge of Sterling, the use of any Intellectual Property by Sterling and its Subsidiaries does not infringe, misappropriate or otherwise violate the rights of any person and is in accordance with any applicable license pursuant to which Sterling or any Sterling Subsidiary acquired the right to use any Intellectual Property, and (ii) to the knowledge of Sterling, no person has asserted in writing to Sterling that Sterling or any of its Subsidiaries has infringed, misappropriated or otherwise violated the Intellectual Property rights of such person, (b) no person is challenging or, to the knowledge of Sterling, infringing on or otherwise violating, any right of Sterling or any of its Subsidiaries with respect to any Intellectual Property owned by Sterling or its Subsidiaries, and (c) neither Sterling nor any Sterling Subsidiary has received any written notice of any pending claim with respect to any Intellectual Property owned by Sterling or any Sterling Subsidiary, and Sterling and its Subsidiaries have taken commercially reasonable actions to avoid the abandonment, cancellation or unenforceability of all Intellectual Property owned or licensed, respectively, by Sterling and its Subsidiaries. For purposes of this Agreement, "Intellectual Property" means trademarks, service marks, brand names, internet domain names, logos, symbols, certification marks, trade dress and other indications of origin, the goodwill associated with the foregoing and registrations in any jurisdiction of, and applications in any jurisdiction to register, the foregoing, including any extension, modification or renewal of any such registration or application; patents, applications for patents (including divisions, continuations, continuations in part and renewal applications), all improvements thereto, and any renewals, extensions or reissues thereof, in any jurisdiction; trade secrets; and copyright registrations or applications for registration of copyrights in any jurisdiction, and any renewals or extensions thereof.

3.20 Related Party Transactions. Except as set forth in Section 3.20 of the Sterling Disclosure Schedule, there are no transactions or series of related transactions, agreements, arrangements or understandings, nor are there any currently proposed transactions or series of related transactions, between Sterling or any of its Subsidiaries, on the one hand, and any current or former director or "executive officer" (as defined in Rule 3b-7 under the Exchange Act) of Sterling or any of its Subsidiaries or any person who beneficially owns (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) 5% or more of the outstanding Sterling Common Stock (or any of such person's immediate family members or affiliates) (other than Subsidiaries of Sterling) on the other hand, of the type required to be reported in any Sterling Report pursuant to Item 404 of Regulation S-K promulgated under the Exchange Act that have not been so reported on a timely basis.

3.21 State Takeover Laws. The Board of Directors of Sterling has approved this Agreement and the transactions contemplated hereby as required to render inapplicable to such agreements and transactions Section 203 of the DGCL and any similar "moratorium," "control share," "fair price," "takeover" or "interested stockholder" law (any such laws, "Takeover Statutes").

3.22 Reorganization. Sterling has not taken any action and is not aware of any fact or circumstance that could reasonably be expected to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

3.23 Opinions. Prior to the execution of this Agreement, the Board of Directors of Sterling has received an opinion (which, if initially rendered verbally, has been or will be confirmed by a written opinion, dated the same date) of each of Citigroup and KBW to the effect that, as of the date of such opinion, and based upon and subject to the factors, assumptions, and limitations set forth therein, the Exchange Ratio in the Merger is fair from a financial point of view to the holders of Sterling Common Stock. Such opinions have not been amended or rescinded as of the date of this Agreement.

3.24 Sterling Information. The information relating to Sterling and its Subsidiaries to be contained in the Joint Proxy Statement and the S-4, and the information relating to Sterling and its Subsidiaries that is provided by Sterling or its representatives for inclusion in any other document filed with any other Regulatory Agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading. The Joint Proxy Statement (except for such portions thereof that relate only to Webster or any of its Subsidiaries) will comply in all material respects with the provisions of the Exchange Act and the rules and regulations thereunder. The S-4 (except for such portions thereof that relate only to Webster or any of its Subsidiaries) will comply in all material respects with the provisions of the Securities Act and the rules and regulations thereunder.

3.25 Loan Portfolio.

(a) As of the date hereof, except as set forth in Section 3.25(a) of the Sterling Disclosure Schedule, neither Sterling nor any of its Subsidiaries is a party to any written or oral loan, loan agreement, note or borrowing arrangement (including leases, credit enhancements, commitments, guarantees and interest-bearing assets) (collectively, "Loans") in which Sterling or any Subsidiary of Sterling is a creditor which as of December 31, 2020, had an outstanding balance of $10,000,000 or more and under the terms of which the obligor was, as of December 31, 2020, over ninety (90) days or more delinquent in payment of principal or interest. Set forth in Section 3.25(a) of the Sterling Disclosure Schedule is a true, correct and complete list of (A) all of the Loans of Sterling and its Subsidiaries that, as of December 31, 2020, had an outstanding balance of $10,000,000 or more and were classified by Sterling as "Other Loans Specially Mentioned," "Special Mention," "Substandard," "Doubtful," "Loss," "Classified," "Criticized," "Credit Risk Assets," "Concerned Loans," "Watch List" or words of similar import, together with the principal amount and accrued and unpaid interest on each such Loan and the identity of the borrower thereunder, together with the aggregate principal amount and accrued and unpaid interest on such Loans, by category of Loan (e.g., commercial, consumer, etc.), together with the aggregate principal amount of such Loans by category and (B) each asset of Sterling or any of its Subsidiaries that, as of December 31, 2020, is classified as "Other Real Estate Owned" and the book value thereof.

(b) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Sterling, each Loan of Sterling and its

Subsidiaries (i) is evidenced by notes, agreements or other evidences of indebtedness that are true, genuine and what they purport to be, (ii) to the extent carried on the books and records of Sterling and its Subsidiaries as secured Loans, has been secured by valid Liens, as applicable, which have been perfected and (iii) is the legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to the Enforceability Exceptions.

(c) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Sterling, each outstanding Loan of Sterling or any of its Subsidiaries (including Loans held for resale to investors) was solicited and originated, and is and has been administered and, where applicable, serviced, and the relevant Loan files are being maintained, in all material respects in accordance with the relevant notes or other credit or security documents, the written underwriting standards of Sterling and its Subsidiaries (and, in the case of Loans held for resale to investors, the underwriting standards, if any, of the applicable investors) and with all applicable federal, state and local laws, regulations and rules.

3.26 Insurance. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Sterling, Sterling and its Subsidiaries are insured with reputable insurers against such risks and in such amounts as the management of Sterling reasonably has determined to be prudent and consistent with industry practice, and Sterling and its Subsidiaries are in compliance in all material respects with their insurance policies and are not in default under any of the terms thereof, each such policy is outstanding and in full force and effect and, except for policies insuring against potential liabilities of officers, directors and employees of Sterling and its Subsidiaries, Sterling or the relevant Subsidiary thereof is the sole beneficiary of such policies, and all premiums and other payments due under any such policy have been paid, and all claims thereunder have been filed in due and timely fashion.

3.27 Information Security. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Sterling, to the knowledge of Sterling, since January 1, 2019, no third party has gained unauthorized access to any information technology networks controlled by and material to the operation of the business of Sterling and its Subsidiaries.

3.28 No Other Representations or Warranties.

(a) Except for the representations and warranties made by Sterling in this Article III, neither Sterling nor any other person makes any express or implied representation or warranty with respect to Sterling, its Subsidiaries, or their respective businesses, operations, assets, liabilities, conditions (financial or otherwise) or prospects, and Sterling hereby disclaims any such other representations or warranties. In particular, without limiting the foregoing disclaimer, neither Sterling nor any other person makes or has made any representation or warranty to Webster or any of its affiliates or representatives with respect to (i) any financial projection, forecast, estimate, budget or prospective information relating to Sterling, any of its Subsidiaries or their respective businesses, or (ii) except for the representations and warranties made by Sterling in this Article III, any oral or written information presented to Webster or any of its affiliates or representatives in the course of their due diligence investigation of Sterling, the negotiation of this Agreement or in the course of the transactions contemplated hereby.

(b) Sterling acknowledges and agrees that neither Webster nor any other person has made or is making any express or implied representation or warranty other than those contained in Article IV.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF WEBSTER

Except (a) as disclosed in the disclosure schedule delivered by Webster to Sterling concurrently herewith (the "Webster Disclosure Schedule"); provided, that (i) no such item is required to be set forth as an exception to a representation or warranty if its absence would not result in the related representation or warranty being deemed untrue or incorrect, (ii) the mere inclusion of an item in the Webster Disclosure Schedule as an exception to a representation or warranty shall not be deemed an admission by Webster that such item represents a material exception or fact, event or circumstance or that such item would reasonably be expected to result in a Material Adverse Effect, and (iii) any disclosures made with respect to a section of this Article IV shall be deemed to qualify (1) any other section of this Article IV specifically referenced or cross-referenced and (2) other sections of this Article IV to the extent it is reasonably apparent on its face (notwithstanding the absence of a specific cross-reference) from a reading of the disclosure that such disclosure applies to such other sections or (b) as disclosed in any Webster Reports filed by Webster after January 1, 2020 and prior to the date hereof (but disregarding risk factor disclosures contained under the heading "Risk Factors," or disclosures of risks set forth in any "forward-looking statements" disclaimer or any other statements that are similarly nonspecific or cautionary, predictive or forward-looking in nature), Webster hereby represents and warrants to Sterling as follows:

4.1 Corporate Organization.

(a) Webster is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is a bank holding company duly registered under the BHC Act. Webster has the corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted. Webster is duly licensed or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing, qualification or standing necessary, except where the failure to be so licensed or qualified or to be in good standing would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Webster. True and complete copies of the Webster Certificate and Webster Bylaws, as in effect as of the date of this Agreement, have previously been made available by Webster to Sterling.

(b) Each Subsidiary of Webster (a "Webster Subsidiary") (i) is duly organized and validly existing under the laws of its jurisdiction of organization, (ii) is duly qualified to do business and, where such concept is recognized under applicable law, in good standing in all jurisdictions (whether federal, state, local or foreign) where its ownership or leasing of property or the conduct of its business requires it to be so qualified and in which the failure to be so qualified would reasonably be expected to have a Material Adverse Effect on Webster, and (iii) has all requisite corporate power and authority to own or lease its properties and assets and to carry on its business as now conducted. There are no restrictions on the ability of any Subsidiary of Webster to pay dividends or distributions except, in the case of a Subsidiary that is a regulated entity, for restrictions on dividends or distributions generally applicable to all such regulated entities. The deposit accounts of each Subsidiary of Webster that is an insured depository institution are insured by the FDIC through the Deposit Insurance Fund to the fullest extent permitted by law, all premiums and assessments required to be paid in connection therewith have been paid when due, and no proceedings for the termination of such insurance are pending or threatened. Section 4.1(b) of the Webster Disclosure Schedule sets forth a true and complete list of all Subsidiaries of Webster as of the date hereof.

4.2 Capitalization.

(a) As of the date of this Agreement, the authorized capital stock of Webster consists of 200,000,000 shares of Webster Common Stock and 3,000,000 shares of preferred stock, par value $0.01 per share (the "Webster Preferred Stock"). As of April 14, 2021, there are (i) 90,411,341 shares of Webster Common Stock outstanding, including 405,024 shares of Webster Common Stock granted in respect of outstanding awards of restricted Webster Common Stock under the Webster Stock Plan (a "Webster Restricted Stock Award"), (ii) 182,733 shares of Webster Common Stock underlying performance share awards (a "Webster Performance Award") (assuming performance goals are satisfied at target levels), (iii) 3,274,970 shares of Webster Common Stock held in treasury, (iv) 114,101 shares of Webster Common Stock reserved for issuance upon the exercise of outstanding stock options to purchase shares of Webster Common Stock granted under a Webster Stock Plan ("Webster Stock Options" and, together with the Webster Restricted Stock Awards and the Webster Performance Awards, the "Webster Equity Awards"), (v) 867,241 shares of Webster Common Stock reserved for issuance pursuant to future grants under the Webster Stock Plan, (vi) 422,885 shares of Webster Common Stock reserved for issuance pursuant to future grants under the Webster Employee Stock Purchase Plan, as amended and restated effective April 1, 2019 (the "Webster ESPP") and (vii) 6,000 shares of 5.25% Series F Non-Cumulative Perpetual Preferred Stock outstanding. As of the date of this Agreement, except as set forth in the immediately preceding sentence and for changes since April 14, 2021 resulting from the exercise, vesting or settlement of any Webster Equity Awards described in the immediately preceding sentence or shares issued in respect of the Webster ESPP, there are no other shares of capital stock or other equity or voting securities of Webster issued, reserved for issuance or outstanding. As used herein, the "Webster Stock Plan" means the Webster Financial Corporation 2021 Stock Incentive Plan (which amends and restates the Webster Financial Corporation 1992 Stock Option Plan, as amended). All of the issued and outstanding shares of Webster Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. There are no bonds, debentures, notes or other indebtedness that have the right to vote on any matters on which stockholders of Webster may vote. Except as set forth on Section 4.2(a) of the Webster Disclosure Schedule, no trust preferred or subordinated debt securities of Webster are issued or outstanding. Other than Webster Equity Awards issued prior to the date of this Agreement as described in this Section 4.2(a) and shares issuable in respect of the Webster ESPP, as of the date of this Agreement there are no outstanding subscriptions, options, warrants, stock appreciation rights, phantom units, scrip, rights to subscribe to, preemptive rights, anti-dilutive rights, rights of first refusal or similar rights, puts, calls, commitments or agreements of any character relating to, or securities or rights convertible or exchangeable into or exercisable for, or valued by reference to, shares of capital stock or other equity or voting securities of or ownership interest in Webster, or contracts, commitments, understandings or arrangements by which Webster may become bound to issue additional shares of its capital stock or other equity or voting securities of or ownership interests in Webster, or that otherwise obligate Webster to issue, transfer, sell, purchase, redeem or otherwise acquire, any of the foregoing. There are no voting trusts, stockholder agreements, proxies or other agreements in effect to which Webster is a party or is bound with respect to the voting or transfer of Webster Common Stock or other equity interests of Webster.

(b) Webster owns, directly or indirectly, all of the issued and outstanding shares of capital stock or other equity ownership interests of each of the Webster Subsidiaries, free and clear of any Liens, and all of such shares or equity ownership interests are duly authorized and validly issued and are fully paid, nonassessable (except, with respect to bank Subsidiaries, as provided under 12 U.S.C. § 55 or any comparable provision of applicable state law) and free of preemptive rights, with no personal liability attaching to the ownership thereof. No Webster Subsidiary has or is bound by any outstanding subscriptions, options, warrants, calls, rights, commitments or agreements of any character calling for the purchase or issuance of any shares of capital stock or any other equity security of such Subsidiary or any securities representing the right to purchase or otherwise receive any shares of capital stock or any other equity security of such Subsidiary.

4.3 Authority; No Violation.

(a) Webster has full corporate power and authority to execute and deliver this Agreement and, subject to the stockholder and other actions described below, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby (including the Merger, the Bank Merger and the Webster Certificate Amendment) have been duly and validly approved by the Board of Directors of Webster. The Board of Directors of Webster has determined that the Merger, on the terms and conditions set forth in this Agreement, is in the best interests of Webster and its stockholders and has directed that this Agreement and the transactions contemplated hereby be submitted to Webster's stockholders for adoption at a meeting of such stockholders and has adopted a resolution to the foregoing effect. Except for (i) the adoption of this Agreement by the affirmative vote of the holders of a majority of the outstanding shares of Webster Common Stock entitled to vote on this Agreement, (ii) the adoption and approval of the Webster Certificate Amendment by the affirmative vote of the holders of a majority of the outstanding shares of Webster Common Stock entitled to vote thereon (the foregoing clauses (i) and (ii) collectively, the "Requisite Webster Vote"), (iii) the adoption, approval and filing of a Certificate of Designation with respect to the New Webster Preferred Stock with the Delaware Secretary, (iv) the adoption and approval of the Bank Merger Agreement by the Board of Directors of Webster Bank and Webster as Webster Bank's sole stockholder and (v) the adoption of resolutions to give effect to the provisions of Section 6.12 in connection with the Closing, no other corporate proceedings on the part of Webster are necessary to approve this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Webster and (assuming due authorization, execution and delivery by Sterling) constitutes a valid and binding obligation of Webster, enforceable against Webster in accordance with its terms (except in all cases as such enforceability may be limited by the Enforceability Exceptions). The shares of Webster Common Stock and New Webster Preferred Stock to be issued in the Merger have been validly authorized (subject to receipt of the Requisite Webster Vote), when issued, will be validly issued, fully paid and nonassessable, and no current or past stockholder of Webster will have any preemptive right or similar rights in respect thereof.

(b) Neither the execution and delivery of this Agreement by Webster, nor the consummation by Webster of the transactions contemplated hereby, including the Bank Merger, nor compliance by Webster with any of the terms or provisions hereof, will (i) violate any provision of the Webster Certificate or the Webster Bylaws, or (ii) assuming that the consents and approvals referred to in Section 4.4 are duly obtained, (x) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to Webster, any of its Subsidiaries or any of their respective properties or assets or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of Webster or any of its Subsidiaries under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which Webster or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound, except (in the case of clauses (x) and (y) above) for such violations, conflicts, breaches or defaults which, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Webster.

4.4 Consents and Approvals. Except for (a) the filing of any required applications, filings and notices, as applicable, with the NYSE, (b) the filing of any required applications, filings and notices, as applicable, with the Federal Reserve Board under the BHC Act and approval of such applications, filings and notices, (c) the filing of any required applications, filings and notices, as applicable, with the OCC, in connection with the Bank Merger, and approval of such applications, filings and notices, (d) the filing of any required applications, filings or notices with any state banking or insurance authorities listed on Section 3.4 of the Sterling Disclosure Schedule or Section 4.4 of the Webster Disclosure Schedule and approval of such applications, filings and notices, (e) the filing with the SEC of the Joint Proxy Statement and the S-4 in which the Joint Proxy Statement will be included as a prospectus, and the declaration of effectiveness of the S-4, (f) the filing of the Webster Certificate Amendment, the Certificate of Merger and the Certificate of Designations for the New Webster Preferred Stock with the Delaware Secretary pursuant to the DGCL, and the filing of the Bank Merger Certificates and (g) such filings and approvals as are required to be made or obtained under the securities or "Blue Sky" laws of various states in connection with the issuance of the shares of Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) pursuant to this Agreement and the approval of the listing of such Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) on the NYSE, no consents or approvals of or filings or registrations with any Governmental Entity are necessary in connection with (i) the execution and delivery by Webster of this Agreement or (ii) the consummation by Webster of the Merger and the other transactions contemplated hereby (including the Bank Merger). As of the date hereof, Webster is not aware of any reason why the necessary regulatory approvals and consents will not be received in order to permit consummation of the Merger and Bank Merger on a timely basis.

4.5 Reports.

(a) Webster and each of its Subsidiaries have timely filed (or furnished) all reports, registrations and statements, together with any amendments required to be made with respect thereto, that they were required to file (or furnish, as applicable) since January 1, 2019 with any Regulatory Agencies, including, without limitation, any report, registration or statement required to be filed (or furnished, as applicable) pursuant to the laws, rules or regulations of the United States, any state, any foreign entity, or any Regulatory Agency, and have paid all fees and assessments due and payable in connection therewith, except where the failure to file (or furnish, as applicable) such report, registration or statement or to pay such fees and assessments, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Webster. Subject to Section 9.14, except as set forth on Section 4.5(a) of the Webster Disclosure Schedule and for normal examinations conducted by a Regulatory Agency in the ordinary course of business of Webster and its Subsidiaries, (i) no Regulatory Agency has initiated or has pending any proceeding or, to the knowledge of Webster, investigation into the business or operations of Webster or any of its Subsidiaries since January 1, 2019, (ii) there is no unresolved violation, criticism, or exception by any Regulatory Agency with respect to any report or statement relating to any examinations or inspections of Webster or any of its Subsidiaries, and (iii) there has been no formal or informal inquiries by, or disagreements or disputes with, any Regulatory Agency with respect to the business, operations, policies or procedures of Webster or any of its Subsidiaries since January 1, 2019; in the case of each of clauses (i) through (iii), which would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Webster.

(b) An accurate copy of each final registration statement, prospectus, report, schedule and definitive proxy statement filed with or furnished by Webster to the SEC since December 31, 2018 pursuant to the Securities Act or the Exchange Act (the "Webster Reports") is publicly available. No such Webster Report as of the date thereof (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of the relevant meetings, respectively), contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading, except that information filed or furnished as of a later date (but before the date of this Agreement) shall be deemed to modify information as of an earlier date. As of their respective dates, all Webster Reports filed under the Securities Act and the Exchange Act complied in all material respects with the published rules and regulations of the SEC with respect thereto. As of the date of this Agreement, no executive officer of Webster has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act. As of the date of this Agreement, there are no outstanding comments from or unresolved issues raised by the SEC with respect to any of the Webster Reports.

4.6 Financial Statements.

(a) The financial statements of Webster and its Subsidiaries included (or incorporated by reference) in the Webster Reports (including the related notes, where applicable) (i) have been prepared from, and are in accordance with, the books and records of Webster and its Subsidiaries, (ii) fairly present in all material respects the consolidated results of operations, cash flows, changes in stockholders' equity and consolidated financial position of Webster and its Subsidiaries for the respective fiscal periods or as of the respective dates therein set forth (subject in the case of unaudited statements to year-end audit adjustments normal in nature and amount), (iii) complied, as of their respective dates of filing with the SEC, in all material respects with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto, and (iv) have been prepared in accordance with GAAP consistently applied during the periods involved, except, in each case, as indicated in such statements or in the notes thereto. The books and records of Webster and its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP and any other applicable legal and accounting requirements and reflect only actual transactions. Since January 1, 2017, no independent public accounting firm of Webster has resigned (or informed Webster that it intends to resign) or been dismissed as independent public accountants of Webster as a result of, or in connection with, any disagreements with Webster on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

(b) Except as would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Webster, neither Webster nor any of its Subsidiaries has any liability (whether absolute, accrued, contingent or otherwise and whether due or to become due), except for those liabilities that are reflected or reserved against on the consolidated balance sheet of Webster included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (including any notes thereto) and for liabilities incurred in the ordinary course of business since December 31, 2020, or in connection with this Agreement and the transactions contemplated hereby.

(c) The records, systems, controls, data and information of Webster and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of Webster or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Webster. Webster (x) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) to ensure that material information relating to Webster, including its Subsidiaries, is made known to the chief executive officer and the chief financial officer of Webster by others within those entities as appropriate to allow timely decisions regarding required disclosures and to make the certifications required by the Exchange Act and Sections 302 and 906 of the Sarbanes-Oxley Act, and (y) has disclosed, based on its most recent evaluation prior to the date hereof, to Webster's outside auditors and the audit committee of Webster's Board of Directors (i) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) which would reasonably be expected to adversely affect Webster's ability to record, process, summarize and report financial information, and (ii) to the knowledge of Webster, any fraud, whether or not material, that involves management or other employees who have a significant role in Webster's internal controls over financial reporting. To the knowledge of Webster, there is no reason to believe that Webster's outside auditors and its chief executive officer and chief financial officer will not be able to give the certifications and attestations required pursuant to the rules and regulations adopted pursuant to Section 404 of the Sarbanes-Oxley Act, without qualification, when next due.

(d) Since January 1, 2019, (i) neither Webster nor any of its Subsidiaries, nor, to the knowledge of Webster, any director, officer, auditor, accountant or representative of Webster or any of its Subsidiaries, has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods (including with respect to loan loss reserves, write-downs, charge-offs and accruals) of Webster or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that Webster or any of its Subsidiaries has engaged in questionable accounting or auditing practices, and (ii) no attorney representing Webster or any of its Subsidiaries, whether or not employed by Webster or any of its Subsidiaries, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by Webster or any of its officers, directors, employees or agents to the Board of Directors of Webster or any committee thereof or, to the knowledge of Webster, to any director or officer of Webster.

4.7 Broker's Fees. With the exception of the engagement of J.P. Morgan Securities LLC ("J.P. Morgan") and Piper Sandler & Co. ("Piper Sandler"), neither Webster nor any Webster Subsidiary nor any of their respective officers or directors has employed any broker, finder or financial advisor or incurred any liability for any broker's fees, commissions or finder's fees in connection with the Merger or related transactions contemplated by this Agreement. Webster has disclosed to Sterling as of the date hereof the aggregate fees provided for in connection with the engagement by Webster of J.P. Morgan and Piper Sandler related to the Merger and the other transactions contemplated hereby.

4.8 Absence of Certain Changes or Events.

(a) Since December 31, 2020, no event or events have occurred that have had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Webster.

(b) Except as set forth on Section 4.8(b) of the Webster Disclosure Schedule and in connection with the transactions contemplated by this Agreement, since December 31, 2020, Webster and its Subsidiaries have carried on their respective businesses in all material respects in the ordinary course.

4.9 Legal Proceedings.

(a) Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect on Webster, neither Webster nor any of its

Subsidiaries is a party to any, and there are no pending or, to Webster's knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against Webster or any of its Subsidiaries or any of their current or former directors or executive officers or challenging the validity or propriety of the transactions contemplated by this Agreement.

(b) There is no injunction, order, judgment, decree, or regulatory restriction imposed upon Webster, any of its Subsidiaries or the assets of Webster or any of its Subsidiaries (or that, upon consummation of the Merger, would apply to the Surviving Corporation or any of its affiliates) that would reasonably be expected to be material to Webster and its Subsidiaries, taken as a whole.

4.10 Taxes and Tax Returns. Each of Webster and its Subsidiaries has duly and timely filed (including all applicable extensions) all material Tax Returns in all jurisdictions in which Tax Returns are required to be filed by it, and all such Tax Returns are true, correct, and complete in all material respects. Neither Webster nor any of its Subsidiaries is the beneficiary of any extension of time within which to file any material Tax Return (other than extensions to file Tax Returns obtained in the ordinary course). All material Taxes of Webster and its Subsidiaries (whether or not shown on any Tax Returns) that are due have been fully and timely paid. Each of Webster and its Subsidiaries has withheld and paid all material Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, creditor, stockholder, independent contractor or other third party. Neither Webster nor any of its Subsidiaries has granted any extension or waiver of the limitation period applicable to any material Tax that remains in effect. The federal income Tax Returns of Webster and its Subsidiaries for all years to and including 2019 have been examined by the IRS or are Tax Returns with respect to which the applicable period for assessment under applicable law, after giving effect to extensions or waivers, has expired. Neither Webster nor any of its Subsidiaries has received written notice of assessment or proposed assessment in connection with any material amount of Taxes, and there are no threatened in writing or pending disputes, claims, audits, examinations or other proceedings regarding any material Tax of Webster and its Subsidiaries or the assets of Webster and its Subsidiaries. Webster has made available to Sterling true and complete copies of any private letter ruling requests, closing agreements or gain recognition agreements with respect to Taxes requested or executed in the last six (6) years. Neither Webster nor any of its Subsidiaries is a party to or is bound by any Tax sharing, allocation or indemnification agreement or arrangement (other than such an agreement or arrangement exclusively between or among Webster and its Subsidiaries). Neither Webster nor any of its Subsidiaries (a) has been a member of an affiliated group filing a consolidated federal income Tax Return (other than a group the common parent of which was Webster) or (b) has any liability for the Taxes of any person (other than Webster or any of its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise. Neither Webster nor any of its Subsidiaries has been, within the past two (2) years or otherwise as part of a "plan (or series of related transactions)" within the meaning of Section 355(e) of the Code of which the Merger is also a part, a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intending to qualify for tax-free treatment under Section 355 of the Code. Neither Webster nor any of its Subsidiaries has participated in a "reportable transaction" within the meaning of Treasury Regulation Section 1.6011-4(b)(1). At no time during the past five (5) years has Webster been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code.

4.11 Employees and Employee Benefit Plans.

(a) Section 4.11(a) of the Webster Disclosure Schedule lists all material Webster Benefit Plans. For purposes of this Agreement, "Webster Benefit Plans" means all employee benefit plans (as defined in Section 3(3) of ERISA), whether or not subject to ERISA, and all stock option, stock purchase, restricted stock, incentive, deferred compensation, retiree medical or life insurance, supplemental retirement, severance or other benefit plans, programs or arrangements, retention, bonus, employment, change in control, termination or severance plans, programs, agreements or arrangements that are maintained, contributed to or sponsored or maintained by, or required to be contributed to, Webster or any of its Subsidiaries for the benefit of any current or former employee, officer or director of Webster or any of its Subsidiaries, excluding, in each case, any Multiemployer Plan.

(b) Webster has heretofore made available to Sterling true and complete copies of (i) each material Webster Benefit Plan, including any amendments thereto and all related trust documents, insurance contracts or other funding vehicles, and (ii) to the extent applicable, (A) the most recent summary plan description, if any, required under ERISA with respect to such Webster Benefit Plan, (B) the most recent annual report (Form 5500), if any, filed with the IRS, (C) the most recently received IRS determination letter, if any, relating to such Webster Benefit Plan, (D) the most recently prepared actuarial report for each Webster Benefit Plan (if applicable), and (E) all material non-routine correspondence to or from any Governmental Entity received in the last three (3) years with respect to such Webster Benefit Plan.

(c) Each Webster Benefit Plan has been established, operated and administered in all material respects in accordance with its terms and the requirements of all applicable laws, including ERISA and the Code.

(d) Section 4.11(d) of the Webster Disclosure Schedule identifies each Webster Benefit Plan that is intended to be qualified under Section 401(a) of the Code (the "Webster Qualified Plans"). The IRS has issued a favorable determination letter with respect to each Webster Qualified Plan and the related trust, and, to the knowledge of Webster, there are no existing circumstances and no events have occurred that would reasonably be expected to adversely affect the qualified status of any Webster Qualified Plan or the related trust.

(e) With respect to each Webster Benefit Plan that is subject to Title IV or Section 302 of ERISA or Section 412, 430 or 4971 of the Code: (i) no such Webster Benefit Plan is in "at-risk" status for purposes of Section 430 of the Code, (ii) no reportable event within the meaning of Section 4043(c) of ERISA for which the 30-day notice requirement has not been waived has occurred, (iii) all premiums to the PBGC have been timely paid in full, (iv) no material liability (other than for premiums to the PBGC) under Title IV of ERISA has been or is reasonably expected to be incurred by Webster or any of its Subsidiaries, and (v) the PBGC has not instituted proceedings to terminate any such Webster Benefit Plan. No Controlled Group Liability has been incurred by Webster or its ERISA Affiliates that has not been satisfied in full, and, to the knowledge of Webster, no condition exists that presents a material risk to Webster or its ERISA Affiliates of incurring any such liability, except as, either individually or in the aggregate, would not reasonably be expected to result in any material liability to Webster and its Subsidiaries.

(f) None of the Webster, any of its Subsidiaries or any of their respective ERISA Affiliates has, at any time during the last six (6) years, contributed to or been obligated to contribute to any Multiemployer Plan or Multiple Employer Plan, and none of Webster, any of its Subsidiaries or any of their respective ERISA Affiliates has incurred any material liability to a Multiemployer Plan or a Multiple Employer Plan as a result of a complete or partial withdrawal (as those terms are defined in Part I of Subtitle E of Title IV of ERISA) from a Multiemployer Plan or a Multiple Employer Plan that has not been satisfied in full.

(g) Neither Webster nor any of its Subsidiaries sponsors, has sponsored or has any obligation with respect to any employee benefit plan that provides for any post-employment or post-retirement health or medical or life insurance benefits for retired or former employees or their dependents, except as required by Section 4980B of the Code.

(h) All contributions required to be made to any Webster Benefit Plan by applicable law or by any plan document, and all premiums due or payable with respect to insurance policies funding any Webster Benefit Plan, for any period through the date hereof, have been timely made or paid in full or, to the extent not required to be made or paid on or before the date hereof, have been fully reflected on the books and records of Webster, except as, either individually or in the aggregate, would not reasonably be expected to result in any material liability to Webster and its Subsidiaries.

(i) There are no pending or threatened claims (other than claims for benefits in the ordinary course), lawsuits or arbitrations that have been asserted or instituted, and, to Webster's knowledge, no set of circumstances exists that may reasonably be expected to give rise to a claim or lawsuit, against the Webster Benefit Plans, any fiduciaries thereof with respect to their duties to the Webster Benefit Plans or the assets of any of the trusts under any of the Webster Benefit Plans, except as, either individually or in the aggregate, would not reasonably be expected to result in any material liability to Webster and its Subsidiaries.

(j) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (either alone or in conjunction with any other event) (i) entitle any employee, officer, director or individual independent contractor of Webster or any of its Subsidiaries to any payment or benefit, (ii) result in, accelerate, cause the vesting, exercisability, funding, payment or delivery of, or increase in the amount or value of, any payment, right or other benefit to any employee, officer, director or independent contractor of Webster or any of its Subsidiaries, (iii) accelerate the timing of or cause Webster or any of its Subsidiaries to transfer or set aside any assets to fund any material benefits under any Webster Benefit Plan, or (iv) result in any limitation on the right of Webster or any of its Subsidiaries to amend, merge, terminate or receive a reversion of assets from any Webster Benefit Plan or related trust. Without limiting the generality of the foregoing, no amount paid or payable (whether in cash, in property, or in the form of benefits) by Webster or any of its Subsidiaries in connection with the transactions contemplated hereby (either solely as a result thereof or as a result of such transactions in conjunction with any other event) will be an "excess parachute payment" within the meaning of Section 280G of the Code.

(k) Neither Webster nor any of its Subsidiaries is a party to any plan, program, agreement or arrangement that provides for the gross-up or reimbursement of Taxes imposed under Section 4999 of the Code (or any corresponding provisions of state or local law relating to Tax).

(l) There are no pending or, to the knowledge of Webster, threatened material labor grievances or material unfair labor practice claims or charges against Webster or any of its Subsidiaries, or any strikes or other material labor disputes against Webster or any of its Subsidiaries. Neither Webster nor any of its Subsidiaries is party to or bound by any collective bargaining or similar agreement with any labor organization, or work rules or practices agreed to with any labor organization or employee association applicable to employees of Webster or any of its Subsidiaries and, to the knowledge of Webster, there are no organizing efforts by any union or other group seeking to represent any employees of Webster and its Subsidiaries.

(m) Webster and its Subsidiaries are in compliance in all material respects with, and since December 31, 2018 have complied in all material respects with, all laws regarding employment and employment practices, terms and conditions of employment, wages and hours, paid sick leave, classification of employees and independent contractors, equitable pay practices, privacy rights, labor disputes, employment discrimination, sexual or racial harassment or discrimination, workers' compensation or long-term disability policies, retaliation, immigration, family and medical leave, occupational safety and health and other laws in respect of any reduction in force (including notice, information and consultation requirements).

(n) (i) To the knowledge of Webster, no written allegations of sexual or racial harassment or sexual or race-based misconduct have been made since December 31, 2018 against any officer or director of Webster subject to the reporting requirements of Section 16(a) of the Exchange Act (a "Webster Insider"), (ii) since December 31, 2018, neither Webster nor any of its Subsidiaries has entered into any settlement agreement related to allegations of sexual or racial harassment or sexual or race-based misconduct by any Webster Insider, and (iii) there are no proceedings currently pending or, to the knowledge of Webster, threatened related to any allegations of sexual or racial harassment or sexual or race-based misconduct by any Webster Insider.

4.12 Compliance with Applicable Law. Webster and each of its Subsidiaries hold, and have at all times since December 31, 2018, held, all licenses, franchises, permits and authorizations necessary for the lawful conduct of their respective businesses and ownership of their respective properties, rights and assets under and pursuant to each (and have paid all fees and assessments due and payable in connection therewith), except where neither the cost of failure to hold nor the cost of obtaining and holding such license, franchise, permit or authorization (nor the failure to pay any fees or assessments) would, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Webster, and, to the knowledge of Webster, no suspension or cancellation of any such necessary license, franchise, permit or authorization is threatened. Webster and each of its Subsidiaries have complied in all material respects with and are not in material default or violation under any, applicable law, statute, order, rule, regulation, policy and/or guideline of any Governmental Entity relating to Webster or any of its Subsidiaries, including all laws relating to Personal Data, the USA PATRIOT Act, the Bank Secrecy Act, the Equal Credit Opportunity Act and Regulation B, the Fair Housing Act, the Community Reinvestment Act, the Fair Credit Reporting Act, the Truth in Lending Act and Regulation Z, the Home Mortgage Disclosure Act, the Fair Debt Collection Practices Act, the Electronic Fund Transfer Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, any regulations promulgated by the Consumer Financial Protection Bureau, the Interagency Policy Statement on Retail Sales of Nondeposit Investment Products, the SAFE Mortgage Licensing Act of 2008, the Real Estate Settlement Procedures Act and Regulation X, and any other laws relating to bank secrecy, discriminatory lending, financing or leasing practices, consumer protection, money laundering prevention, foreign assets control, U.S. sanctions laws and regulations, Sections 23A and 23B of the Federal Reserve Act, the Sarbanes-Oxley Act, and all agency requirements relating to the origination, sale and servicing of mortgage and consumer loans. Each of Webster's Subsidiaries that is an insured depository institution has a Community Reinvestment Act rating of "satisfactory" or better. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect on Webster, none of Webster, or any of its Subsidiaries, or, to the knowledge of Webster, any director, officer, employee, agent or other person acting on behalf of Webster or any of its Subsidiaries has, directly or indirectly, (a) used any funds of Webster or any of its Subsidiaries for unlawful contributions, unlawful gifts, unlawful entertainment or other expenses relating to political activity, (b) made any unlawful payment to foreign or domestic governmental officials or employees or to foreign or domestic political parties or campaigns from funds of Webster or any of its Subsidiaries, (c) violated any provision that would result in the violation of the Foreign Corrupt Practices Act of 1977, as amended, or any similar law, (d) established or maintained any unlawful fund of monies or other assets of Webster or any of its Subsidiaries, (e) made any fraudulent entry on the books or records of Webster or any of its Subsidiaries, or (f) made any unlawful bribe, unlawful rebate, unlawful payoff, unlawful influence payment, unlawful kickback or other unlawful payment to any person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business to obtain special concessions for Webster or any of its Subsidiaries, to pay for favorable treatment for business secured or to pay for special concessions already obtained for Webster or any of its Subsidiaries, or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department. Webster maintains a written information privacy and security program that maintains reasonable measures to protect the privacy, confidentiality and security of all Personal Data against any Security Breach. To the knowledge of Webster, Webster has not experienced any Security Breach that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Webster. To the knowledge of Webster, there are no data security or other technological vulnerabilities with respect to Webster's information technology systems or networks that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect on Webster. Except as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect Webster: (i) Webster Bank has complied in all material respects with all requirements of the CARES Act and the Paycheck Protection Program, including applicable guidance, in connection with its participation in the Paycheck Protection Program; (ii) Webster and each of its Subsidiaries have properly administered all accounts for which it acts as a fiduciary, including accounts for which it serves as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents and applicable state, federal and foreign law; and (iii) none of Webster, any of its Subsidiaries, or any of its or its Subsidiaries' directors, officers or employees, has committed any breach of trust or fiduciary duty with respect to any such fiduciary account, and the accountings for each such fiduciary account are true, correct and complete and accurately reflect the assets and results of such fiduciary account.

4.13 Certain Contracts.

(a) Except as set forth in Section 4.13(a) of the Webster Disclosure Schedule or as filed with or incorporated into any Webster Report filed prior to the date hereof, as of the date hereof, neither Webster nor any of its Subsidiaries is a party to or bound by any contract, arrangement, commitment or understanding (whether written or oral but excluding any Webster Benefit Plan): (i) which is a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC); (ii) which contains a provision that materially restricts the conduct on any line of business by Webster or any of its Subsidiaries or upon consummation of the transactions contemplated by this Agreement will materially restrict the ability of the Surviving Corporation or any of its affiliates to engage in any line of business or in any geographic region (including any exclusivity or exclusive dealing provisions with such an effect); (iii) which is a collective bargaining agreement or similar agreement with any labor organization; (iv) any of the benefits of or obligations under which will arise or be increased or accelerated by the occurrence of the execution and delivery of this Agreement, receipt of the Requisite Webster Vote or the announcement or consummation of any of the transactions contemplated by this Agreement, or under which a right of cancellation or termination will arise as a result thereof, or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement, where such increase or acceleration of benefits or obligations, right of cancellation or termination, or change in calculation of value of benefits would, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Webster; (v) (A) that relates to the incurrence of indebtedness by Webster or any of its Subsidiaries, including any sale and leaseback transactions, capitalized leases and other similar financing arrangements (other than deposit liabilities, trade payables, federal funds purchased, advances and loans from the Federal Home Loan Bank and securities sold under agreements to repurchase, in each case incurred in the ordinary course of business), (B) that provides for the guarantee, support, assumption or endorsement by Webster or any of its Subsidiaries of, or any similar commitment by Webster or any of its Subsidiaries with respect to, the obligations, liabilities or indebtedness of any other person, in the case of each of clauses (A) and (B), in the principal amount of $15,000,000 or more, or (C) that provides for any material indemnification or similar obligations on the part of Webster or any of its Subsidiaries; (vi) that grants any right of first refusal, right of first offer or similar right with respect to any material assets, rights or properties of Webster or its Subsidiaries, taken as a whole; (vii) which creates future payment obligations in excess of $5,000,000 per annum other than any such contracts which are terminable by Webster or any of its Subsidiaries on sixty (60) days or less notice without any required payment or other conditions, other than extensions of credit, other customary banking products offered by Webster or its Subsidiaries, or derivatives issued or entered into in the ordinary course of business; (viii) that is a settlement, consent or similar agreement and contains any material continuing obligations of Webster or any of its Subsidiaries; or (ix) that relates to the acquisition or disposition of any person, business or asset and under which Webster or its

Subsidiaries have or may have a material obligation or liability. Each contract, arrangement, commitment or understanding of the type described in this Section 4.13(a) (excluding any Webster Benefit Plan), whether or not set forth in the Webster Disclosure Schedule, is referred to herein as a "Webster Contract". Webster has made available to Sterling true, correct and complete copies of each Webster Contract in effect as of the date hereof.

(b) In each case, except as, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Webster, (i) each Webster Contract is valid and binding on Webster or one of its Subsidiaries, as applicable, and in full force and effect, (ii) Webster and each of its Subsidiaries has in all material respects complied with and performed all obligations required to be performed by it to date under each Webster Contract, (iii) to the knowledge of Webster, each third-party counterparty to each Webster Contract has in all material respects complied with and performed all obligations required to be performed by it to date under such Webster Contract, (iv) Webster does not have knowledge of, and has not received notice of, any violation of any Webster Contract by any of the other parties thereto, (v) no event or condition exists which constitutes or, after notice or lapse of time or both, will constitute, a material breach or default on the part of Webster or any of its Subsidiaries, or to the knowledge of Webster, any other party thereto, of or under any such Webster Contract and (vi) no third-party counterparty to any Webster Contract has exercised or threatened in writing to exercise any force majeure (or similar) provision to excuse non-performance or performance delays in any Webster Contract as a result of the Pandemic or the Pandemic Measures.

4.14 Agreements with Regulatory Agencies. Subject to Section 9.14, neither Webster nor any of its Subsidiaries is subject to any cease-and-desist or other order or enforcement action issued by, or is a party to any written agreement, consent agreement or memorandum of understanding with, or is a party to any commitment letter or similar undertaking to, or is subject to any order or directive by, or has been ordered to pay any civil money penalty by, or has been since January 1, 2019, a recipient of any supervisory letter from, or since January 1, 2019, has adopted any policies, procedures or board resolutions at the request or suggestion of, any Regulatory Agency or other Governmental Entity that currently restricts in any material respect or would reasonably be expected to restrict in any material respect the conduct of its business or that in any material manner relates to its capital adequacy, its ability to pay dividends, its credit or risk management policies, its management or its business (each, whether or not set forth in the Webster Disclosure Schedule, a "Webster Regulatory Agreement"), nor has Webster or any of its Subsidiaries been advised in writing since January 1, 2019, by any Regulatory Agency or other Governmental Entity that it is considering issuing, initiating, ordering or requesting any such Webster Regulatory Agreement.

4.15 Risk Management Instruments. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Webster, (a) all interest rate swaps, caps, floors, option agreements, futures and forward contracts and other similar derivative transactions and risk management arrangements, whether entered into for the account of Webster, any of its Subsidiaries or for the account of a customer of Webster or one of its Subsidiaries, were entered into in the ordinary course of business and in accordance with applicable rules, regulations and policies of any Regulatory Agency and with counterparties believed to be financially responsible at the time and are legal, valid and binding obligations of Webster or one of its Subsidiaries enforceable in accordance with their terms (except as may be limited by the Enforceability Exceptions), and are in full force and effect; and (b) Webster and each of its Subsidiaries have duly performed in all material respects all of their material obligations thereunder to the extent that such obligations to perform have accrued, and, to Webster's knowledge, there are no material breaches, violations or defaults or allegations or assertions of such by any party thereunder.

4.16 Environmental Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Webster, Webster and its Subsidiaries are in compliance, and have complied since January 1, 2019, with all Environmental Laws. There are no legal, administrative, arbitral or other proceedings, claims or actions, or, to the knowledge of Webster any private environmental investigations or remediation activities or governmental investigations of any nature seeking to impose, or that could reasonably be expected to result in the imposition, on Webster or any of its Subsidiaries of any liability or obligation arising under any Environmental Law, pending or threatened against Webster, which liability or obligation would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Webster. To the knowledge of Webster, there is no reasonable basis for any such proceeding, claim, action or governmental investigation that would impose any liability or obligation that would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on Webster.

4.17 Investment Securities and Commodities.

(a) Each of Webster and its Subsidiaries has good title in all material respects to all securities and commodities owned by it (except those sold under repurchase agreements), free and clear of any Liens, except as set forth in the financial statements included in the Webster Reports or to the extent such securities or commodities are pledged in the ordinary course of business to secure obligations of Webster or its Subsidiaries. Such securities and commodities are valued on the books of Webster in accordance with GAAP in all material respects.

(b) Webster and its Subsidiaries and their respective businesses employ investment, securities, commodities, risk management and other policies, practices and procedures that Webster believes are prudent and reasonable in the context of such businesses. Prior to the date of this Agreement, Webster has made available to Sterling the material terms of such policies, practices and procedures.

4.18 Real Property. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Webster, (a) Webster or a Webster Subsidiary has good and marketable title to all the real property reflected in the latest audited balance sheet included in the Webster Reports as being owned by Webster or a Webster Subsidiary or acquired after the date thereof (except properties sold or otherwise disposed of since the date thereof in the ordinary course of business) (the "Webster Owned Properties"), free and clear of all Liens, except for Permitted Encumbrances, and (b) is the lessee of all leasehold estates reflected in the latest audited financial statements included in such Webster Reports or acquired after the date thereof (except for leases that have expired by their terms since the date thereof) (collectively with Webster Owned Properties, the "Webster Real Property"), free and clear of all Liens of any nature whatsoever, except for Permitted Encumbrances, and is in possession of the properties purported to be leased thereunder, and each such lease is valid without default thereunder by the lessee or, to the knowledge of Webster, the lessor. There are no pending or, to the knowledge of Webster, threatened condemnation proceedings against Webster Real Property.

4.19 Intellectual Property. Webster and each of its Subsidiaries owns, or is licensed to use (in each case, free and clear of any material Liens), all Intellectual Property necessary for the conduct of its business as currently conducted. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Webster, (a) (i) to the knowledge of Webster, the use of any Intellectual Property by Webster and its Subsidiaries does not infringe, misappropriate or otherwise violate the rights of any person and is in accordance with any applicable license pursuant to which Webster or any Webster Subsidiary acquired the right to use any Intellectual Property, and (ii) to the knowledge of Webster, no person has asserted in writing to Webster that Webster or any of its Subsidiaries has infringed, misappropriated or otherwise violated the Intellectual Property rights of such person, (b) no person is challenging or, to the knowledge of Webster, infringing on or otherwise violating, any right of Webster or any of its Subsidiaries with respect to any Intellectual Property owned by Webster or its Subsidiaries, and (c) neither Webster nor any Webster Subsidiary has received any written notice of any pending claim with respect to any Intellectual Property owned by Webster or any Webster Subsidiary, and Webster and its Subsidiaries have taken commercially reasonable actions to avoid the abandonment, cancellation or unenforceability of all Intellectual Property owned or licensed, respectively, by Webster and its Subsidiaries.

4.20 Related Party Transactions. Except as set forth in Section 4.20 of the Webster Disclosure Schedule, there are no transactions or series of related transactions, agreements, arrangements or understandings, nor are there any currently proposed transactions or series of related transactions, between Webster or any of its Subsidiaries, on the one hand, and any current or former director or "executive officer" (as defined in Rule 3b-7 under the Exchange Act) of Webster or any of its Subsidiaries or any person who beneficially owns (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) 5% or more of the outstanding Webster Common Stock (or any of such person's immediate family members or affiliates) (other than Subsidiaries of Webster) on the other hand, of the type required to be reported in any Webster Report pursuant to Item 404 of Regulation S-K promulgated under the Exchange Act that have not been so reported on a timely basis.

4.21 State Takeover Laws. The Board of Directors of Webster has approved this Agreement and the transactions contemplated hereby as required to render inapplicable to such agreements and transactions Section 203 of the DGCL and any other Takeover Statutes.

4.22 Reorganization. Webster has not taken any action and is not aware of any fact or circumstance that could reasonably be expected to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

4.23 Opinions. Prior to the execution of this Agreement, the Board of Directors of Webster has received an opinion (which, if initially rendered verbally, has been or will be confirmed by a written opinion, dated the same date) of each of J.P. Morgan and Piper Sandler to the effect that as of the date of such opinion, and based upon and subject to the factors, assumptions, and limitations set forth therein, the Exchange Ratio in the Merger is fair from a financial point of view to Webster. Such opinions have not been amended or rescinded as of the date of this Agreement.

4.24 Webster Information. The information relating to Webster and its Subsidiaries to be contained in the Joint Proxy Statement and the S-4, and the information relating to Webster and its Subsidiaries that is provided by Webster or its representatives for inclusion in any other document filed with any other Regulatory Agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading. The Joint Proxy Statement (except for such portions thereof that relate only to Sterling or any of its Subsidiaries) will comply in all material respects with the provisions of the Exchange Act and the rules and regulations thereunder. The S-4 (except for such portions thereof that relate only to Sterling or any of its Subsidiaries) will comply in all material respects with the provisions of the Securities Act and the rules and regulations thereunder.

4.25 Loan Portfolio.

(a) As of the date hereof, except as set forth in Section 4.25(a) of the Webster Disclosure Schedule, neither Webster nor any of its Subsidiaries is a party to any Loan in which Webster or any Subsidiary of Webster is a creditor which as of December 31, 2020, had an outstanding balance of $10,000,000 or more and under the terms of which the obligor was, as of December 31, 2020, over ninety (90) days or more delinquent in payment of principal or interest. Set forth in Section 4.25(a) of the Webster Disclosure Schedule is a true, correct and complete list of (A) all of the Loans of Webster and its Subsidiaries that, as of December 31, 2020, had an outstanding balance of $10,000,000 or more and were classified by Webster as "Other Loans Specially Mentioned," "Special Mention," "Substandard," "Doubtful," "Loss," "Classified," "Criticized," "Credit Risk Assets," "Concerned Loans," "Watch List" or words of similar import, together with the principal amount and accrued and unpaid interest on each such Loan and the identity of the borrower thereunder, together with the aggregate principal amount and accrued and unpaid interest on such Loans, by category of Loan (e.g., commercial, consumer, etc.), together with the aggregate principal amount of such Loans by category and (B) each asset of Webster or any of its Subsidiaries that, as of December 31, 2020, is classified as "Other Real Estate Owned" and the book value thereof.

(b) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Webster, each Loan of Webster and its Subsidiaries (i) is evidenced by notes, agreements or other evidences of indebtedness that are true, genuine and what they purport to be, (ii) to the extent carried on the books and records of Webster and its Subsidiaries as secured Loans, has been secured by valid Liens, as applicable, which have been perfected and (iii) is the legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to the Enforceability Exceptions.

(c) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Webster, each outstanding Loan of Webster or any of its Subsidiaries (including Loans held for resale to investors) was solicited and originated, and is and has been administered and, where applicable, serviced, and the relevant Loan files are being maintained, in all material respects in accordance with the relevant notes or other credit or security documents, the written underwriting standards of Webster and its Subsidiaries (and, in the case of Loans held for resale to investors, the underwriting standards, if any, of the applicable investors) and with all applicable federal, state and local laws, regulations and rules.

4.26 Insurance. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Webster, Webster and its Subsidiaries are insured with reputable insurers against such risks and in such amounts as the management of Webster reasonably has determined to be prudent and consistent with industry practice, and Webster and its Subsidiaries are in compliance in all material respects with their insurance policies and are not in default under any of the terms thereof, each such policy is outstanding and in full force and effect and, except for policies insuring against potential liabilities of officers, directors and employees of Webster and its Subsidiaries, Webster or the relevant Subsidiary thereof is the sole beneficiary of such policies, and all premiums and other payments due under any such policy have been paid, and all claims thereunder have been filed in due and timely fashion.

4.27 Information Security. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect on Webster, to the knowledge of Webster, since January 1, 2019, no third party has gained unauthorized access to any information technology networks controlled by and material to the operation of the business of Webster and its Subsidiaries.

4.28 HSA Business. Webster Bank is duly qualified to act as a custodian or trustee for health savings accounts ("HSAs") under Section 223 of the Code and any other applicable law (or is partnered with a person so qualified). To the knowledge of Webster, as of the date of this Agreement, no Material Network Partner intends to (a) terminate its relationship with Webster Bank, (b) transfer from such Material Network Partner's related HSAs administered by Webster Bank for which Webster Bank serves as trustee or custodian (the "Accounts") all or a material portion of the assets held in such Accounts or (c) encourage the holders of Accounts of such Material Network Partner's related Accounts to transfer to a competitor of the business all or a material portion of the assets held in such Accounts. For purposes of this Agreement, "Material Network Partner" shall mean any person with whom Webster Bank is partnered through contract to conduct its HSA business where such person's related HSAs constitute at least five percent (5%) of Webster Bank's total number of HSAs or the dollar amount of the related HSA deposits as of the date of this Agreement.

4.29 No Other Representations or Warranties.

(a) Except for the representations and warranties made by Webster in this Article IV, neither Webster nor any other person makes any express or implied representation or warranty with respect to Webster, its Subsidiaries, or their respective businesses, operations, assets, liabilities, conditions (financial or otherwise) or prospects, and Webster hereby disclaims any such other representations or warranties. In particular, without limiting the foregoing disclaimer, neither Webster nor any other person makes or has made any representation or warranty to Sterling or any of its affiliates or representatives with respect to (i) any financial projection, forecast, estimate, budget or prospective information relating to Webster, any of its

Subsidiaries or their respective businesses, or (ii) except for the representations and warranties made by Webster in this Article IV, any oral or written information presented to Sterling or any of its affiliates or representatives in the course of their due diligence investigation of Webster, the negotiation of this Agreement or in the course of the transactions contemplated hereby.

(b) Webster acknowledges and agrees that neither Sterling nor any other person has made or is making any express or implied representation or warranty other than those contained in Article III.

ARTICLE V

COVENANTS RELATING TO CONDUCT OF BUSINESS

5.1 Conduct of Businesses Prior to the Effective Time. During the period from the date of this Agreement to the Effective Time or earlier termination of this Agreement, except as expressly contemplated or permitted by this Agreement (including as set forth in the Sterling Disclosure Schedule or the Webster Disclosure Schedule), required by law or as consented to in writing by the other party (such consent not to be unreasonably withheld, conditioned or delayed), each of Sterling and Webster shall, and shall cause its Subsidiaries to, (a) conduct its business in the ordinary course in all material respects, (b) use reasonable best efforts to maintain and preserve intact its business organization, employees and advantageous business relationships, and (c) take no action that would reasonably be expected to adversely affect or materially delay the ability of either Sterling or Webster to obtain any necessary approvals of any Regulatory Agency or other Governmental Entity required for the transactions contemplated hereby or to perform its covenants and agreements under this Agreement or to consummate the transactions contemplated hereby on a timely basis. Notwithstanding anything to the contrary set forth in Section 5.1 or Section 5.2 (other than Sections 5.2(b) and 5.2(f), to which this sentence shall not apply), a party and its Subsidiaries may take any commercially reasonable actions that such party reasonably determines are necessary or prudent for it to take or not take in response to the Pandemic or the Pandemic Measures; provided, that such party shall provide prior notice to and consult in good faith with the other party to the extent such actions would otherwise require consent of the other party under this Section 5.1 or Section 5.2.

5.2 Forbearances. During the period from the date of this Agreement to the Effective Time or earlier termination of this Agreement, except as set forth in the Sterling Disclosure Schedule or the Webster Disclosure Schedule, as expressly contemplated or permitted by this Agreement or as required by law, neither Sterling nor Webster shall, and neither Sterling nor Webster shall permit any of their respective Subsidiaries to, without the prior written consent of the other party to this Agreement (such consent not to be unreasonably withheld, conditioned or delayed):

(a) other than (i) federal funds borrowings and Federal Home Loan Bank borrowings, in each case with a maturity not in excess of six (6) months, (ii) deposits, (iii) issuances of letters of credit, (iv) purchases of federal funds, (v) sales of certificates of deposit and (vi) entry into repurchase agreements, in each case in the ordinary course of business, incur any indebtedness for borrowed money (other than indebtedness of Sterling or any of its wholly-owned Subsidiaries to Sterling or any of its wholly-owned Subsidiaries, on the one hand, or of

Webster or any of its wholly-owned Subsidiaries to Webster or any of its wholly-owned Subsidiaries, on the other hand), or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other individual, corporation or other entity;

(b)

(i) adjust, split, combine or reclassify any capital stock;

(ii) make, declare, pay or set a record date for any dividend, or any other distribution on, or directly or indirectly redeem, purchase or otherwise acquire, any shares of its capital stock or other equity or voting securities or any securities or obligations convertible (whether currently convertible or convertible only after the passage of time or the occurrence of certain events) or exchangeable into or exercisable for any shares of its capital stock or other equity or voting securities, except, in each case, (A) regular quarterly cash dividends by Sterling at a rate not in excess of $0.07 per share of Sterling Common Stock, (B) regular quarterly cash dividends by Webster at a rate not in excess of $0.40 per share of Webster Common Stock, (C) dividends paid by any of the Subsidiaries of each of Sterling and Webster to Sterling or Webster or any of their wholly-owned Subsidiaries, respectively, (D) in the case of Sterling, dividends provided for and paid on shares of Sterling Series A Preferred Stock in accordance with the terms of such Sterling Series A Preferred Stock, (E) in the case of Webster, dividends provided for and paid on shares of Webster Preferred Stock in accordance with the terms of such Webster Preferred Stock, (F) in the case of Webster, regular distributions on outstanding trust preferred securities in accordance with their terms or (G) the acceptance of shares of Sterling Common Stock or Webster Common Stock, as the case may be, as payment for the exercise price of stock options or for withholding Taxes incurred in connection with the exercise of stock options or the vesting or settlement of equity compensation awards, in each case, in accordance with past practice and the terms of the applicable award agreements;

(iii) grant any stock options, stock appreciation rights, performance shares, restricted stock units, performance stock units, phantom stock units, restricted shares or other equity-based awards or interests, or grant any person any right to acquire any shares of capital stock or other equity or voting securities of Sterling or Webster or any of their respective Subsidiaries, other than in the case of Webster, grants of options to purchase under the Webster ESPP; or

(iv) issue, sell, transfer, encumber or otherwise permit to become outstanding any shares of capital stock or voting securities or equity interests or securities convertible (whether currently convertible or convertible only after the passage of time of the occurrence of certain events) or exchangeable into, or exercisable for, any shares of its capital stock or other equity or voting securities, including any securities of Sterling or Webster or their respective Subsidiaries, or any options, warrants, or other rights of any kind to acquire any shares of capital stock or other equity or voting securities, including any securities of Sterling or Webster or their respective Subsidiaries, except pursuant to the exercise of stock options or the vesting or settlement of equity compensation awards in accordance with their terms;

(c) sell, transfer, mortgage, encumber or otherwise dispose of any of its material properties or assets to any individual, corporation or other entity other than a wholly-owned Subsidiary, or cancel, release or assign any indebtedness to any such person or any claims held by any such person, in each case other than in the ordinary course of business, or pursuant to contracts or agreements in force at the date of this Agreement;

(d) except for foreclosure or acquisitions of control in a fiduciary or similar capacity or in satisfaction of debts previously contracted in good faith in the ordinary course of business, make any material investment in or acquisition of (whether by purchase of stock or securities, contributions to capital, property transfers, merger or consolidation, or formation of a joint venture or otherwise) any other person or the property or assets of any other person, in each case, other than a wholly-owned Subsidiary of Sterling or Webster, as applicable;

(e) in each case except for transactions in the ordinary course of business, terminate, materially amend, or waive any material provision of, any Sterling Contract or Webster Contract, as the case may be, or make any change in any instrument or agreement governing the terms of any of its securities, other than normal renewals of contracts without material adverse changes of terms with respect to Sterling or Webster, or enter into any contract that would constitute a Sterling Contract or Webster Contract, if it were in effect on the date of this Agreement;

(f) except as required under applicable law or the terms of any Sterling Benefit Plan or Webster Benefit Plan existing as of the date hereof, as applicable, (i) enter into, establish, adopt, amend or terminate any Sterling Benefit Plan or Webster Benefit Plan, or any arrangement that would be a Sterling Benefit Plan or a Webster Benefit Plan if in effect on the date hereof, other than with respect to broad-based welfare benefit plans (other than severance) in the ordinary course of business consistent with past practice and as would not reasonably be expected to materially increase the cost of benefits under any such Sterling Benefit Plan or Webster Benefit Plan, as the case may be, (ii) increase the compensation or benefits payable to any current or former employee, director or individual consultant, other than increases for current employees with an annual base salary below $300,000 in connection with a promotion (permitted hereunder) or change in responsibilities, in each case, in the ordinary course of business consistent with past practice and to a level consistent with similarly situated peer employees, (iii) accelerate the vesting of any equity-based awards or other compensation or benefits, (iv) enter into any new, or amend any existing, employment, severance, change in control, retention, collective bargaining agreement or similar agreement or arrangement; provided, however, that the parties may enter into offer letters with new commercial banking hires in the ordinary course of business consistent with past practice that do not provide for enhanced or change in control severance, (v) fund any rabbi trust or similar arrangement, or in any other way secure the payment of compensation or benefits under any Sterling Benefit Plan or Webster Benefit Plan, as the case may be, (vi) terminate the employment or services of any employee with an annual base salary equal to or in excess of $300,000, other than for cause, or (vii) hire or promote any employee with an annual base salary equal to or in excess of $300,000 (other than as a replacement hire or promotion on substantially similar terms of employment as the departed employee), or significantly change the responsibilities assigned to any such employee;

(g) settle any material claim, suit, action or proceeding, except involving solely monetary remedies in an amount and for consideration not in excess of $1,000,000 individually or $2,000,000 in the aggregate and that would not impose any material restriction on, or create any adverse precedent that would be material to, the business of it or its Subsidiaries or the Surviving Corporation;

(h) take any action or knowingly fail to take any action where such action or failure to act could reasonably be expected to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code;

(i) amend its certificate of incorporation, its bylaws or comparable governing documents of its Significant Subsidiaries;

(j) materially restructure or materially change its investment securities or derivatives portfolio or its interest rate exposure, through purchases, sales or otherwise, or the manner in which the portfolio is classified or reported;

(k) implement or adopt any change in its accounting principles, practices or methods, other than as may be required by GAAP;

(l) enter into any new line of business or, other than in the ordinary course of business (which may include partnering with third parties in origination, flow, servicing and other capacities) consistent with past practice, change in any material respect its lending, investment, underwriting, risk and asset liability management and other banking and operating, securitization and servicing policies (including any change in the maximum ratio or similar limits as a percentage of its capital exposure applicable with respect to its loan portfolio or any segment thereof), except as required by applicable law, regulation or policies imposed by any Governmental Entity;

(m) merge or consolidate itself or any of its Significant Subsidiaries with any other person, or restructure, reorganize or completely or partially liquidate or dissolve it or any of its Significant Subsidiaries;

(n) make, change or revoke any material Tax election, change an annual Tax accounting period, adopt or change any material Tax accounting method, file any material amended Tax Return, enter into any closing agreement with respect to a material amount of Taxes, or settle any material Tax claim, audit, assessment or dispute or surrender any material right to claim a refund of Taxes; or

(o) agree to take, make any commitment to take, or adopt any resolutions of its board of directors or similar governing body in support of, any of the actions prohibited by this Section 5.2.

ARTICLE VI

ADDITIONAL AGREEMENTS

6.1 Regulatory Matters.

(a) Promptly after the date of this Agreement, Webster and Sterling shall prepare and file with the SEC the Joint Proxy Statement and Webster shall prepare and file with the SEC the S-4, in which the Joint Proxy Statement will be included as a prospectus. The parties shall use reasonable best efforts to make such filings within thirty (30) business days of the date of this Agreement. The S-4 shall also, to the extent required under the Securities Act and the regulations promulgated thereunder, register the shares of New Webster Preferred Stock (or depositary shares in lieu thereof) that will be issued in the transaction. Each of Webster and Sterling shall use its reasonable best efforts to have the S-4 declared effective under the Securities Act as promptly as practicable after such filings, and Webster and Sterling shall thereafter mail or deliver the Joint Proxy Statement to their respective stockholders. Webster shall also use its reasonable best efforts to obtain all necessary state securities law or "Blue Sky" permits and approvals required to carry out the transactions contemplated by this Agreement, and Sterling shall furnish all information concerning Sterling and the holders of Sterling Common Stock and Sterling Series A Preferred Stock as may be reasonably requested in connection with any such action.

(b) The parties hereto shall cooperate with each other and use their reasonable best efforts to promptly prepare and file all necessary documentation, to effect all applications, notices, petitions and filings (and in the case of applications, notices, petitions and filings in respect of the Requisite Regulatory Approvals, use their reasonable best efforts to make such filings within thirty (30) business days of the date of this Agreement), to obtain as promptly as practicable all permits, consents, approvals and authorizations of all third parties and Governmental Entities which are necessary or advisable to consummate the transactions contemplated by this Agreement (including the Merger and the Bank Merger), and to comply with the terms and conditions of all such permits, consents, approvals and authorizations of all such Governmental Entities. Webster and Sterling shall have the right to review in advance, and, to the extent practicable, each will consult the other on, in each case subject to applicable laws relating to the exchange of information, all the information relating to Sterling or Webster, as the case may be, and any of their respective Subsidiaries, which appears in any filing made with, or written materials submitted to, any third party or any Governmental Entity in connection with the transactions contemplated by this Agreement. In exercising the foregoing right, each of the parties hereto shall act reasonably and as promptly as practicable. The parties hereto agree that they will consult with each other with respect to the obtaining of all permits, consents, approvals and authorizations of all third parties and Governmental Entities necessary or advisable to consummate the transactions contemplated by this Agreement and each party will keep the other apprised of the status of matters relating to completion of the transactions contemplated hereby. Each party shall consult with the other in advance of any meeting or conference with any Governmental Entity in connection with the transactions contemplated by this Agreement and to the extent permitted by such Governmental Entity, give the other party and/or its counsel the opportunity to attend and participate in such meetings and conferences, in each case subject to applicable law. As used in this Agreement, "Requisite Regulatory Approvals" means all regulatory authorizations, consents, orders or approvals (and the expiration or termination of all statutory waiting periods in respect thereof) (x) from the Federal Reserve Board and the OCC and (y) set forth in Sections 3.4 and 4.4 that are necessary to consummate the transactions contemplated by this Agreement, including the Merger and the Bank Merger, or those the failure of which to be obtained would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Surviving Corporation.

(c) Each party shall use its reasonable best efforts to resolve any objection that may be asserted by any Governmental Entity with respect to this Agreement or the transactions contemplated hereby. Notwithstanding the foregoing, nothing contained in this Agreement shall be deemed to require Webster or Sterling or any of their respective Subsidiaries, and neither Webster nor Sterling nor any of their respective Subsidiaries shall be permitted (without the written consent of the other party), to take any action, or commit to take any action, or agree to any condition or restriction, in connection with obtaining the foregoing permits, consents, approvals and authorizations of Governmental Entities that would reasonably be expected to have a material adverse effect on the Surviving Corporation and its Subsidiaries, taken as a whole, after giving effect to the Merger and the Bank Merger (a "Materially Burdensome Regulatory Condition").

(d) To the extent permitted by applicable law, Webster and Sterling shall, upon request, furnish each other with all information concerning themselves, their Subsidiaries, directors, officers and stockholders and such other matters as may be reasonably necessary or advisable in connection with the Joint Proxy Statement, the S-4 or any other statement, filing, notice or application made by or on behalf of Webster, Sterling or any of their respective Subsidiaries to any Governmental Entity in connection with the Merger, the Bank Merger and the other transactions contemplated by this Agreement.

(e) To the extent permitted by applicable law, Webster and Sterling shall promptly advise each other upon receiving any communication from any Governmental Entity whose consent or approval is required for consummation of the transactions contemplated by this Agreement that causes such party to believe that there is a reasonable likelihood that any Requisite Regulatory Approval will not be obtained or that the receipt of any such approval will be materially delayed.

6.2 Access to Information; Confidentiality.

(a) Upon reasonable notice and subject to applicable laws (including the Pandemic Measures), each of Webster and Sterling, for the purposes of verifying the representations and warranties of the other and preparing for the Merger and the other matters contemplated by this Agreement, shall, and shall cause each of their respective Subsidiaries to, afford to the officers, employees, accountants, counsel, advisors and other representatives of the other party, access, during normal business hours during the period prior to the Effective Time, to all its properties, books, contracts, commitments, personnel, information technology systems, and records, and each shall cooperate with the other party in preparing to execute after the Effective Time conversion or consolidation of systems and business operations generally, and, during such period, each of Webster and Sterling shall, and shall cause its respective Subsidiaries to, make available to the other party (i) a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to the requirements of federal securities laws or federal or state banking laws (other than reports or documents that Webster or Sterling, as the case may be, is not permitted to disclose under applicable law), and (ii) all other information concerning its business, properties and personnel as such party may reasonably request. Neither Webster nor Sterling nor any of their respective Subsidiaries shall be required to provide access to or to disclose information where such access or disclosure would violate or prejudice the rights of Webster's or Sterling's, as the case may be, customers, jeopardize the attorney-client privilege of the institution in possession or control of such information (after giving due consideration to the existence of any common interest, joint defense or similar agreement between the parties) or contravene any law, rule, regulation, order, judgment, decree, fiduciary duty or binding agreement entered into prior to the date of this Agreement. The parties hereto will make appropriate substitute disclosure arrangements under circumstances in which the restrictions of the preceding sentence apply.

(b) Each of Webster and Sterling shall hold all information furnished by or on behalf of the other party or any of such party's Subsidiaries or representatives pursuant to Section 6.2(a) in confidence to the extent required by, and in accordance with, the provisions of the confidentiality agreement, dated September 13, 2019, as amended by the amendment to confidentiality agreement, dated March 22, 2021, between Webster and Sterling (the "Confidentiality Agreement").

(c) No investigation by either of the parties or their respective representatives shall affect or be deemed to modify or waive the representations and warranties of the other set forth herein. Nothing contained in this Agreement shall give either party, directly or indirectly, the right to control or direct the operations of the other party prior to the Effective Time. Prior to the Effective Time, each party shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its and its Subsidiaries' respective operations.

6.3 Stockholder Approvals. Each of Sterling and Webster shall call a meeting of its stockholders (the "Sterling Meeting" and the "Webster Meeting," respectively) to be held as soon as reasonably practicable after the S-4 is declared effective, for the purpose of obtaining (a) the Requisite Sterling Vote and the Requisite Webster Vote required in connection with this Agreement and the Merger and (b) if so desired and mutually agreed, a vote upon other matters of the type customarily brought before a meeting of stockholders in connection with the approval of a merger agreement or the transactions contemplated thereby, and each of Sterling and Webster shall use its reasonable best efforts to cause such meetings to occur as soon as reasonably practicable and on the same date. Each of Webster and Sterling and their respective Boards of Directors shall use its reasonable best efforts to obtain from the stockholders of Webster and Sterling, as applicable, the Requisite Webster Vote and the Requisite Sterling Vote, as applicable, including by communicating to the respective stockholders of Webster and Sterling its recommendation (and including such recommendation in the Joint Proxy Statement) that the stockholders of Webster and Sterling, respectively, adopt this Agreement (the "Webster Board Recommendation" and the "Sterling Board Recommendation," respectively). Each of Webster and Sterling and their respective Boards of Directors shall not (i) withhold, withdraw, modify or qualify in a manner adverse to the other party the Webster Board Recommendation, in the case of Webster, or the Sterling Board Recommendation, in the case of Sterling, (ii) fail to make the Webster Board Recommendation, in the case of Webster, or the Sterling Board

Recommendation, in the case of Sterling, in the Joint Proxy Statement, (iii) adopt, approve, recommend or endorse an Acquisition Proposal or publicly announce an intention to adopt, approve, recommend or endorse an Acquisition Proposal, (iv) fail to publicly and without qualification (A) recommend against any Acquisition Proposal or (B) reaffirm the Webster Board Recommendation, in the case of Webster, or the Sterling Board Recommendation, in the case of Sterling, in each case within ten (10) business days (or such fewer number of days as remains prior to the Webster Meeting or the Sterling Meeting, as applicable) after an Acquisition Proposal is made public or any request by the other party to do so, or (v) publicly propose to do any of the foregoing (any of the foregoing, a "Recommendation Change"). However, subject to Section 8.1 and Section 8.2, if the Board of Directors of Webster or Sterling, after receiving the advice of its outside counsel and, with respect to financial matters, its financial advisors, determines in good faith that it would more likely than not result in a violation of its fiduciary duties under applicable law to make or continue to make the Webster Board Recommendation or the Sterling Board Recommendation, as applicable, such Board of Directors may, in the case of Webster, prior to the receipt of the Requisite Webster Vote, and in the case of Sterling, prior to the receipt of the Requisite Sterling Vote, submit this Agreement to its stockholders without recommendation (although the resolutions approving this Agreement as of the date hereof may not be rescinded or amended), in which event such Board of Directors may communicate the basis for its lack of a recommendation to its stockholders in the Joint Proxy Statement or an appropriate amendment or supplement thereto to the extent required by law; provided, that such Board of Directors may not take any actions under this sentence unless it (A) gives the other party at least three (3) business days' prior written notice of its intention to take such action and a reasonable description of the event or circumstances giving rise to its determination to take such action (including, in the event such action is taken in response to an Acquisition Proposal, the latest material terms and conditions of, and the identity of the third party making, any such Acquisition Proposal, or any amendment or modification thereof, or describe in reasonable detail such other event or circumstances) and (B) at the end of such notice period, takes into account any amendment or modification to this Agreement proposed by the other party and, after receiving the advice of its outside counsel and, with respect to financial matters, its financial advisors, determines in good faith that it would nevertheless more likely than not result in a violation of its fiduciary duties under applicable law to make or continue to make the Webster Board Recommendation or Sterling Board Recommendation, as the case may be. Any material amendment to any Acquisition Proposal will be deemed to be a new Acquisition Proposal for purposes of this Section 6.3 and will require a new notice period as referred to in this Section 6.3. Webster or Sterling shall adjourn or postpone the Webster Meeting or the Sterling Meeting, as the case may be, if, as of the time for which such meeting is originally scheduled there are insufficient shares of Webster Common Stock or Sterling Common Stock, as the case may be, represented (either in person or by proxy) to constitute a quorum necessary to conduct the business of such meeting, or if on the date of such meeting Sterling or Webster, as applicable, has not received proxies representing a sufficient number of shares necessary to obtain the Requisite Sterling Vote or the Requisite Webster Vote. Notwithstanding anything to the contrary herein, unless this Agreement has been terminated in accordance with its terms, (x) the Webster Meeting shall be convened and this Agreement shall be submitted to the stockholders of Webster at the Webster Meeting and (y) the Sterling Meeting shall be convened and this Agreement shall be submitted to the stockholders of Sterling at the Sterling Meeting, and nothing contained herein shall be deemed to relieve either Webster or Sterling of such obligation.

6.4 Legal Conditions to Merger. Subject in all respects to Section 6.1 of this Agreement, each of Webster and Sterling shall, and shall cause its Subsidiaries to, use their reasonable best efforts (a) to take, or cause to be taken, all actions necessary, proper or advisable to comply promptly with all legal and regulatory requirements that may be imposed on such party or its Subsidiaries with respect to the Merger and the Bank Merger and, subject to the conditions set forth in Article VII hereof, to consummate the transactions contemplated by this Agreement, including the Merger and the Bank Merger, and (b) to obtain (and to cooperate with the other party to obtain) any material consent, authorization, order or approval of, or any exemption by, any Governmental Entity and any other third party that is required to be obtained by Sterling or Webster or any of their respective Subsidiaries in connection with the Merger, the Bank Merger and the other transactions contemplated by this Agreement.

6.5 Stock Exchange Listing. Webster shall cause the shares of Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) to be issued in the Merger to be approved for listing on the NYSE, subject to official notice of issuance, prior to the Effective Time.

6.6 Employee Matters.

(a) Webster, as the Surviving Corporation, shall provide the employees of Sterling and its Subsidiaries as of the Effective Time (the "Continuing Employees"), during the period commencing at the Effective Time and ending on the first anniversary thereof (the "Continuation Period"), for so long as they are employed following the Effective Time, with the following: (i) annual base salary or wages, as applicable, that are no less than the annual base salary or wages in effect for each such Continuing Employee immediately prior to the Effective Time; (ii) target cash incentive opportunities that are no less favorable than those provided to similarly situated employees of Webster and its Subsidiaries; provided, that, if the Effective Time occurs in calendar year 2021, the Continuing Employees' target cash incentive opportunities for such year shall be no less favorable than those provided to each such Continuing Employee immediately prior to the Effective Time; and (iii) (x) all employee statutory entitlements; and (y) all employee benefits (other than severance which will be provided as set forth in the last sentence of this Section 6.6(a)) and other compensation that are substantially comparable in the aggregate to those provided to similarly situated employees of Webster and its Subsidiaries; provided, that, with respect to clause (iii), until such time as Webster fully integrates the Continuing Employees into its plans, participation in the Sterling Benefit Plans (other than severance) shall be deemed to satisfy the foregoing standards, it being understood that the Continuing Employees may commence participating in the plans of Webster and its Subsidiaries on different dates following the Effective Time with respect to different plans. During the Continuation Period, each Continuing Employee who is not party to an individual agreement providing for severance or termination benefits and is terminated under severance qualifying circumstances shall be provided severance benefits under the applicable Sterling Benefit Plan set forth in Section 6.6(a) of the Sterling Disclosure Schedule, subject to such employee's execution (and non-revocation) of a release of claims.

(b) With respect to any employee benefit plans of Webster or its Subsidiaries in which any Continuing Employees become eligible to participate on or after the Effective Time (the "New Plans"), Webster, as the Surviving Corporation, and its Subsidiaries shall (i) waive all pre-existing conditions, exclusions and waiting periods with respect to participation and coverage requirements applicable to such employees and their eligible dependents under any New Plans, except to the extent such pre-existing conditions, exclusions or waiting periods would apply under the analogous Sterling Benefit Plan, (ii) provide each such employee and their eligible dependents with credit for any co-payments or coinsurance and deductibles paid prior to the Effective Time under a Sterling Benefit Plan that provides health care benefits, to the same extent that such credit was given under the analogous Sterling Benefit Plan prior to the Effective Time, in satisfying any applicable deductible, co-payment, coinsurance or maximum out-of-pocket requirements under any New Plans, and (iii) recognize all service of such employees with Sterling and its Subsidiaries for all purposes in any New Plan to the same extent that such service was taken into account under the analogous Sterling Benefit Plan prior to the Effective Time; provided, that the foregoing service recognition shall not apply (A) to the extent it would result in duplication of benefits for the same period of service, (B) for purposes of any defined benefit pension plan, or (C) for purposes of any benefit plan that is a frozen plan or provides grandfathered benefits.

(c) If requested by Webster in writing at least twenty (20) business days prior to the Effective Time, Sterling shall cause any 401(k) plan sponsored or maintained by Sterling (each, a "Sterling 401(k) Plan") to be terminated effective as of the day immediately prior to the Effective Time and contingent upon the occurrence of the Closing. If Webster requests that any Sterling 401(k) Plan be terminated, (i) Sterling shall provide Webster with evidence that such plan has been terminated (the form and substance of which shall be subject to reasonable review and comment by Webster) not later than two (2) business days immediately preceding the Effective Time, and (ii) the Continuing Employees of Sterling shall be eligible to participate, effective as of the Effective Time, in a 401(k) plan sponsored or maintained by Webster or one of its Subsidiaries (a "Webster 401(k) Plan"). Webster and Sterling shall take any and all actions as may be required, including amendments to any Sterling 401(k) Plan and/or Webster 401(k) Plan, to permit the Continuing Employees of Sterling who are then actively employed to make rollover contributions to the Webster 401(k) Plan of "eligible rollover distributions" (within the meaning of Section 401(a)(31) of the Code) in the form of cash, notes (in the case of loans) or a combination thereof.

(d) Webster, as the Surviving Corporation, shall assume and honor all Sterling Benefit Plans in accordance with their terms.

(e) The parties shall perform the actions set forth on Section 6.6(e) of both the Webster Disclosure Schedule and the Sterling Disclosure Schedule.

(f) Nothing in this Agreement shall confer upon any employee, officer, director or consultant of Sterling, Webster or any of their respective Subsidiaries or affiliates any right to continue in the employ or service of the Surviving Corporation, Sterling, Webster or any Subsidiary or affiliate thereof, or shall interfere with or restrict in any way the rights of the Surviving Corporation, Sterling, Webster or any Subsidiary or affiliate thereof to discharge or terminate the services of any employee (including any Continuing Employee), officer, director or consultant of the Surviving Corporation, Sterling, Webster or any of their respective Subsidiaries or affiliates at any time for any reason whatsoever, with or without cause. Nothing in this Agreement shall be deemed to (i) establish, amend, or modify any Sterling Benefit Plan, Webster

Benefit Plan, New Plan or any other benefit or employment plan, program, agreement or arrangement, or (ii) alter or limit the ability of the Surviving Corporation or any of its Subsidiaries or affiliates to amend, modify or terminate any particular Sterling Benefit Plan, Webster Benefit Plan, New Plan or any other benefit or employment plan, program, agreement or arrangement after the Effective Time. Without limiting the generality of Section 9.11, nothing in this Agreement, express or implied, is intended to or shall confer upon any person, including, without limitation, any current or former employee, officer, director or consultant of Sterling, Webster or any of their respective Subsidiaries or affiliates, any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

6.7 Indemnification; Directors' and Officers' Insurance.

(a) From and after the Effective Time, the Surviving Corporation shall indemnify and hold harmless and shall advance expenses as incurred, in each case to the extent (subject to applicable law) such persons are indemnified or entitled to such advancement of expenses as of the date of this Agreement by Sterling pursuant to the Sterling Certificate, Sterling Bylaws, the governing or organizational documents of any Subsidiary of Sterling or any indemnification agreements in existence as of the date hereof that have been disclosed to Webster, each present and former director, officer or employee of Sterling and its Subsidiaries (in each case, when acting in such capacity) (collectively, the "Sterling Indemnified Parties") against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, damages or liabilities incurred in connection with any threatened or actual claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, whether arising before or after the Effective Time, arising out of the fact that such person is or was a director, officer or employee of Sterling or any of its Subsidiaries and pertaining to matters existing or occurring at or prior to the Effective Time, including the transactions contemplated by this Agreement; provided, that in the case of advancement of expenses, the Sterling Indemnified Party to whom expenses are advanced provides an undertaking to repay such advances if it is ultimately determined that such Sterling Indemnified Party is not entitled to indemnification.

(b) For a period of six (6) years after the Effective Time, the Surviving Corporation shall cause to be maintained in effect the current policies of directors' and officers' liability insurance maintained by Sterling (provided, that the Surviving Corporation may substitute therefor policies with a substantially comparable insurer of at least the same coverage and amounts containing terms and conditions that are no less advantageous to the insured) with respect to claims against the present and former officers and directors of Sterling or any of its Subsidiaries arising from facts or events which occurred at or before the Effective Time; provided, that the Surviving Corporation shall not be obligated to expend, on an annual basis, an amount in excess of 300% of the current annual premium paid as of the date hereof by Sterling for such insurance (the "Premium Cap"), and if such premiums for such insurance would at any time exceed the Premium Cap, then the Surviving Corporation shall cause to be maintained policies of insurance which, in the Surviving Corporation's good faith determination, provide the maximum coverage available at an annual premium equal to the Premium Cap. In lieu of the foregoing, Sterling, in consultation with, but only upon the consent of Webster, may (and at the request of Webster, Sterling shall use its reasonable best efforts to) obtain at or prior to the Effective Time a six (6)-year "tail" policy under Sterling's existing directors and officers insurance policy providing equivalent coverage to that described in the preceding sentence if and to the extent that the same may be obtained for an amount that, in the aggregate, does not exceed the Premium Cap.

(c) The provisions of this Section 6.7 shall survive the Effective Time and are intended to be for the benefit of, and shall be enforceable by, each Sterling Indemnified Party and his or her heirs and representatives. If the Surviving Corporation or any of its successors or assigns (i) consolidates with or merges into any other person and is not the continuing or surviving person of such consolidation or merger, or (ii) transfers all or substantially all of its assets or deposits to any other person or engages in any similar transaction, then in each such case the Surviving Corporation will cause proper provision to be made so that the successors and assigns of the Surviving Corporation will expressly assume the obligations set forth in this Section 6.7.

6.8 Additional Agreements. In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement (including any merger between a Subsidiary of Webster, on the one hand, and a Subsidiary of Sterling, on the other) or to vest the Surviving Corporation with full title to all properties, assets, rights, approvals, immunities and franchises of any of the parties to the Merger or the Bank Merger, the proper officers and directors of each party to this Agreement and their respective Subsidiaries shall take all such necessary action as may be reasonably requested by Webster.

6.9 Advice of Changes. Webster and Sterling shall each promptly advise the other party of any effect, change, event, circumstance, condition, occurrence or development (i) that has had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect on it or (ii) that it believes would or would reasonably be expected to cause or constitute a material breach of any of its representations, warranties, obligations, covenants or agreements contained herein that reasonably could be expected to give rise, individually or in the aggregate, to the failure of a condition in Article VII; provided, that any failure to give notice in accordance with the foregoing with respect to any breach shall not be deemed to constitute a violation of this Section 6.9 or the failure of any condition set forth in Section 7.2 or 7.3 to be satisfied, or otherwise constitute a breach of this Agreement by the party failing to give such notice, in each case unless the underlying breach would independently result in a failure of the conditions set forth in Section 7.2 or 7.3 to be satisfied; and provided, further, that the delivery of any notice pursuant to this Section 6.9 shall not cure any breach of, or noncompliance with, any other provision of this Agreement or limit the remedies available to the party receiving such notice.

6.10 Dividends. After the date of this Agreement, each of Webster and Sterling shall coordinate with the other the declaration of any dividends in respect of Webster Common Stock and Sterling Common Stock and the record dates and payment dates relating thereto, it being the intention of the parties hereto that holders of Sterling Common Stock shall not receive two dividends, or fail to receive one dividend, in any quarter with respect to their shares of Sterling Common Stock and any shares of Webster Common Stock any such holder receives in exchange therefor in the Merger.

6.11 Stockholder Litigation. Each party shall give the other party prompt notice of any stockholder litigation against such party or its directors or officers relating to the transactions contemplated by this Agreement, and shall give the other party the opportunity to participate (at such other's party's expense) in the defense or settlement of any such litigation. Each party shall give the other the right to review and comment on all filings or responses to be made by such party in connection with any such litigation, and will in good faith take such comments into account. No party shall agree to settle any such litigation without the other party's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed; provided, that the other party shall not be obligated to consent to any settlement which does not include a full release of such other party and its affiliates or which imposes an injunction or other equitable relief after the Effective Time upon the Surviving Corporation or any of its affiliates.

6.12 Corporate Governance.

(a) Prior to the Effective Time, the Board of Directors of Webster shall take all actions necessary to adopt the Webster Bylaw Amendment and to effect the requirements referenced therein that are to be effected as of the Effective Time. Effective as of the Effective Time, in accordance with the Webster Bylaw Amendment, the number of directors that will comprise the full Board of Directors of the Surviving Corporation and the full Board of Directors of the Surviving Bank shall each be fifteen (15). Of the members of the initial Board of Directors of the Surviving Corporation and of the initial Board of Directors of the Surviving Bank as of the Effective Time, seven (7) shall be members of the Board of Directors of Sterling as of immediately prior to the Effective Time, designated by Sterling, which shall include Mr. Jack L. Kopnisky, and eight (8) shall be members of the Board of Directors of Webster as of immediately prior to the Effective Time, designated by Webster, which shall include Mr. John R. Ciulla.

(b) Effective as of the Effective Time, (i) Mr. Jack L. Kopnisky shall serve as the Executive Chairman of the Board of Directors of the Surviving Corporation and of the Board of Directors of the Surviving Bank, (ii) Mr. John R. Ciulla shall serve as the President and Chief Executive Officer of the Surviving Corporation and of the Surviving Bank and as a member of the Board of Directors of the Surviving Corporation and of the Board of Directors of the Surviving Bank and (iii) Mr. William L. Atwell (or another independent member of the Board of Directors of Webster, designated by Webster) shall serve as the Lead Independent Director of the Board of Directors of the Surviving Corporation and of the Board of Directors of the Surviving Bank.

(c) Effective as of the Effective Time, (i) the headquarters and main office of the Surviving Corporation and the Surviving Bank will be located in Stamford, Connecticut and (ii) the name of the Surviving Corporation will be "Webster Financial Corporation" and the name of the Surviving Bank will be "Webster Bank, National Association".

(d) The bylaws of Webster Bank in effect as the effective time of the Bank Merger will be consistent in all respects with the foregoing provisions of this Section 6.12.

6.13 Acquisition Proposals.

(a) Each party agrees that it will not, and will cause each of its Subsidiaries and its and their respective officers, directors, employees, agents, advisors and representatives (collectively, "Representatives") not to, directly or indirectly, (i) initiate, solicit, knowingly encourage or knowingly facilitate inquiries or proposals with respect to any Acquisition Proposal, (ii) engage or participate in any negotiations with any person concerning any Acquisition Proposal, (iii) provide any confidential or nonpublic information or data to, or have or participate in any discussions with, any person relating to any Acquisition Proposal or (iv) unless this Agreement has been terminated in accordance with its terms, approve or enter into any term sheet, letter of intent, commitment, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement or other agreement (whether written or oral, binding or nonbinding) (other than a confidentiality agreement referred to and entered into in accordance with this Section 6.13) in connection with or relating to any Acquisition Proposal. Notwithstanding the foregoing, in the event that after the date of this Agreement and prior to the receipt of the Requisite Sterling Vote, in the case of Sterling, or the Requisite Webster Vote, in the case of Webster, a party receives an unsolicited bona fide written Acquisition Proposal, such party may, and may permit its Subsidiaries and its and its Subsidiaries' Representatives to, furnish or cause to be furnished confidential or nonpublic information or data and participate in such negotiations or discussions with the person making the Acquisition Proposal if the Board of Directors of such party concludes in good faith (after receiving the advice of its outside counsel, and with respect to financial matters, its financial advisors) that failure to take such actions would be more likely than not to result in a violation of its fiduciary duties under applicable law; provided, that, prior to furnishing any confidential or nonpublic information permitted to be provided pursuant to this sentence, such party shall have entered into a confidentiality agreement with the person making such Acquisition Proposal on terms no less favorable to it than the Confidentiality Agreement, which confidentiality agreement shall not provide such person with any exclusive right to negotiate with such party. Each party will, and will cause its Subsidiaries and Representatives to, immediately cease and cause to be terminated any activities, discussions or negotiations conducted before the date of this Agreement with any person other than the other party with respect to any Acquisition Proposal. Each party will promptly (within twenty-four (24) hours) advise the other party following receipt of any Acquisition Proposal or any inquiry which could reasonably be expected to lead to an Acquisition Proposal, and the substance thereof (including the terms and conditions of and the identity of the person making such inquiry or Acquisition Proposal), will provide the other party with an unredacted copy of any such Acquisition Proposal and any draft agreements, proposals or other materials received from or on behalf of the person making such inquiry or Acquisition Proposal in connection with such inquiry or Acquisition Proposal, and will keep the other party apprised of any related developments, discussions and negotiations on a current basis, including any amendments to or revisions of the terms of such inquiry or Acquisition Proposal. Each party shall use its reasonable best efforts to enforce any existing confidentiality or standstill agreements to which it or any of its Subsidiaries is a party in accordance with the terms thereof. As used in this Agreement, "Acquisition Proposal" means, with respect to Webster or Sterling, as applicable, other than the transactions contemplated by this Agreement, any offer, proposal or inquiry relating to, or any third party indication of interest in, (i) any acquisition or purchase, direct or indirect, of 25% or more of the consolidated assets of a party and its Subsidiaries or 25% or more of any class of equity or voting securities of a party or its Subsidiaries whose assets, individually or in the aggregate, constitute 25% or more of the consolidated assets of the party, (ii) any tender offer (including a self-tender offer) or exchange offer that, if consummated, would result in such third party beneficially owning 25% or more of any class of equity or voting securities of a party or its Subsidiaries whose assets, individually or in the aggregate, constitute 25% or more of the consolidated assets of the party, or (iii) a merger, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving a party or its Subsidiaries whose assets, individually or in the aggregate, constitute 25% or more of the consolidated assets of the party.

(b) Nothing contained in this Agreement shall prevent a party or its Board of Directors from complying with Rules 14d-9 and 14e-2 under the Exchange Act with respect to an Acquisition Proposal; provided, that such rules will in no way eliminate or modify the effect that any action pursuant to such rules would otherwise have under this Agreement.

6.14 Public Announcements. Sterling and Webster agree that the initial press release with respect to the execution and delivery of this Agreement shall be a release mutually agreed to by the parties. Thereafter, each of the parties agrees that no public release or announcement or statement concerning this Agreement or the transactions contemplated hereby shall be issued by any party without the prior written consent of the other party (which consent shall not be unreasonably withheld, conditioned or delayed), except (a) as required by applicable law or the rules or regulations of any applicable Governmental Entity or stock exchange to which the relevant party is subject, in which case the party required to make the release or announcement shall consult with the other party about, and allow the other party reasonable time to comment on, such release or announcement in advance of such issuance or (b) for such releases, announcements or statements that are consistent with other such releases, announcement or statements made after the date of this Agreement in compliance with this Section 6.14.

6.15 Change of Method. Sterling and Webster shall be empowered, upon their mutual agreement, at any time prior to the Effective Time, to change the method or structure of effecting the combination of Sterling and Webster (including the provisions of Article I), if and to the extent they both deem such change to be necessary, appropriate or desirable; provided, that no such change shall (a) alter or change the Exchange Ratio or the number of shares of Webster Common Stock received by holders of Sterling Common Stock in exchange for each share of Sterling Common Stock, (b) adversely affect the Tax treatment of holders of Sterling Common Stock or Webster Common Stock pursuant to this Agreement, (c) adversely affect the Tax treatment of Sterling or Webster pursuant to this Agreement or (d) materially impede or delay the consummation of the transactions contemplated by this Agreement in a timely manner. The parties agree to reflect any such change in an appropriate amendment to this Agreement executed by both parties in accordance with Section 9.2.

6.16 Restructuring Efforts. If either Sterling or Webster shall have failed to obtain the Requisite Sterling Vote or the Requisite Webster Vote at the duly convened Sterling Meeting or Webster Meeting, as applicable, or any adjournment or postponement thereof, each of the parties shall in good faith use its reasonable best efforts to negotiate a restructuring of the transactions contemplated by this Agreement (it being understood that neither party shall have any obligation to alter or change any material terms, including the Exchange Ratio or the amount or kind of the consideration to be issued to holders of the capital stock of Sterling as provided for in this Agreement, in a manner adverse to such party or its stockholders) and/or resubmit this Agreement and/or the transactions contemplated hereby (or as restructured pursuant to this Section 6.16) to its stockholders for adoption or approval.

6.17 Takeover Statutes. None of Sterling, Webster or their respective Boards of Directors shall take any action that would cause any Takeover Statute to become applicable to this Agreement, the Merger, or any of the other transactions contemplated hereby, and each shall take all necessary steps to exempt (or ensure the continued exemption of) the Merger and the other transactions contemplated hereby from any applicable Takeover Statute now or hereafter in effect. If any Takeover Statute may become, or may purport to be, applicable to the transactions contemplated hereby, each party and the members of its Boards of Directors will grant such approvals and take such actions as are necessary so that the transactions contemplated by this Agreement may be consummated as promptly as practicable on the terms contemplated hereby and otherwise act to eliminate or minimize the effects of any Takeover Statute on any of the transactions contemplated by this Agreement, including, if necessary, challenging the validity or applicability of any such Takeover Statute.

6.18 Treatment of Sterling Debt. Upon the Effective Time (or at the effective time of the Bank Merger for any debt of Sterling Bank), Webster, or Webster Bank, as applicable, shall assume the due and punctual performance and observance of the covenants and other obligations to be performed by Sterling or Sterling Bank, as applicable, under the definitive documents governing the indebtedness and other instruments related thereto set forth on Section 6.18 of the Sterling Disclosure Schedule, including the due and punctual payment of the principal of (and premium, if any) and interest thereon, to the extent required and permitted thereby. In connection therewith, (i) Webster shall, and shall cause Webster Bank to, cooperate and use reasonable best efforts to execute and deliver any supplemental indentures, if applicable, and (ii) Sterling shall, and shall cause Sterling Bank to, cooperate and use reasonable best efforts to execute and deliver any supplemental indentures, officer's certificates or other documents and provide any opinions of counsel to the trustee thereof, in each case, required to make such assumption effective as of the Effective Time, or the effective time of the Bank Merger, as applicable.

6.19 Exemption from Liability under Section 16(b). Webster and Sterling agree that, in order to most effectively compensate and retain Sterling Insiders, both prior to and after the Effective Time, it is desirable that Sterling Insiders not be subject to a risk of liability under Section 16(b) of the Exchange Act to the fullest extent permitted by applicable law in connection with the conversion of shares of Sterling Common Stock, Sterling Series A Preferred Stock and Sterling Equity Awards into Webster Common Stock, New Webster Preferred Stock or Webster Equity Awards, as applicable, in connection with the Merger, and for that compensatory and retentive purpose agree to the provisions of this Section 6.19. Sterling shall deliver to Webster in a reasonably timely fashion prior to the Effective Time accurate information regarding those officers and directors of Sterling subject to the reporting requirements of Section 16(a) of the Exchange Act (the "Sterling Insiders"), and the Board of Directors of Webster and of Sterling, or a committee of non-employee directors thereof (as such term is defined for purposes of Rule 16b-3(d) under the Exchange Act), shall reasonably promptly thereafter, and in any event prior to the Effective Time, take all such steps as may be required to cause (in the case of Sterling) any dispositions of Sterling Common Stock, Sterling Series A Preferred Stock or Sterling Equity Awards by the Sterling Insiders, and (in the case of Webster) any acquisitions of Webster Common Stock, New Webster Preferred Stock, or Webster Equity Awards by any Sterling Insiders who, immediately following the Merger, will be officers or directors of the Surviving Corporation subject to the reporting requirements of Section 16(a) of the Exchange Act, in each case pursuant to the transactions contemplated by this Agreement, to be exempt from liability pursuant to Rule 16b-3 under the Exchange Act to the fullest extent permitted by applicable law.

ARTICLE VII

CONDITIONS PRECEDENT

7.1 Conditions to Each Party's Obligation to Effect the Merger. The respective obligations of the parties to effect the Merger shall be subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) Stockholder Approvals. (i) This Agreement and the Webster Certificate Amendment shall have been adopted and approved by the stockholders of Webster by the Requisite Webster Vote and (ii) this Agreement shall have been adopted by the stockholders of Sterling by the Requisite Sterling Vote.

(b) NYSE Listing. The shares of Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) that shall be issuable pursuant to this Agreement shall have been authorized for listing on the NYSE, subject to official notice of issuance.

(c) Regulatory Approvals. (i) All Requisite Regulatory Approvals shall have been obtained and shall remain in full force and effect and all statutory waiting periods in respect thereof shall have expired or been terminated, and (ii) no such Requisite Regulatory Approval shall have resulted in the imposition of any Materially Burdensome Regulatory Condition.

(d) S-4. The S-4 shall have become effective under the Securities Act and no stop order suspending the effectiveness of the S-4 shall have been issued and no proceedings for such purpose shall have been initiated or threatened by the SEC and not withdrawn.

(e) No Injunctions or Restraints; Illegality. No order, injunction or decree issued by any court or Governmental Entity of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Merger, the Bank Merger or any of the other transactions contemplated by this Agreement shall be in effect. No law, statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any Governmental Entity which prohibits or makes illegal consummation of the Merger, the Bank Merger or any of the other transactions contemplated by this Agreement.

7.2 Conditions to Obligations of Webster. The obligation of Webster to effect the Merger is also subject to the satisfaction or waiver by Webster at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. The representations and warranties of Sterling set forth in Sections 3.2(a) and 3.8(a) (in each case after giving effect to the lead-in to Article III) shall be true and correct (other than, in the case of Section 3.2(a), such failures to be true and correct as are *de minimis*) in each case as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties are expressly made as of another date, in which case as of such date), and the representations and warranties of Sterling set forth in Sections 3.1(a), 3.1(b) (with respect to Significant Subsidiaries only), 3.2(b) (with respect to Significant Subsidiaries only), 3.3(a) and 3.7 (in each case, read without giving effect to any qualification as to materiality or Material Adverse Effect set forth in such representations or warranties but, in each case, after giving effect to the lead-in to Article III) shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties are expressly made as of another date, in which case as of such date). All other representations and warranties of Sterling set forth in this Agreement (read without giving effect to any qualification as to materiality or Material Adverse Effect set forth in such representations or warranties but, in each case, after giving effect to the lead-in to Article III) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties are expressly made as of another date, in which case as of such date); provided, that for purposes of this sentence, such representations and warranties shall be deemed to be true and correct unless the failure or failures of such representations and warranties to be so true and correct, either individually or in the aggregate, and without giving effect to any qualification as to materiality or Material Adverse Effect set forth in such representations or warranties, has had or would reasonably be expected to have a Material Adverse Effect on Sterling or the Surviving Corporation. Webster shall have received a certificate signed on behalf of Sterling by the Chief Executive Officer or the Chief Financial Officer of Sterling to the foregoing effect.

(b) Performance of Obligations of Sterling. Sterling shall have performed in all material respects the obligations, covenants and agreements required to be performed by it under this Agreement at or prior to the Effective Time, and Webster shall have received a certificate signed on behalf of Sterling by the Chief Executive Officer or the Chief Financial Officer of Sterling to such effect.

(c) Federal Tax Opinion. Webster shall have received the opinion of Wachtell, Lipton, Rosen & Katz, in form and substance reasonably satisfactory to Webster, dated as of the Closing Date, to the effect that, on the basis of facts, representations and assumptions set forth or referred to in such opinion, the Merger shall qualify as a "reorganization" within the meaning of Section 368(a) of the Code. In rendering such opinion, counsel may require and rely upon representations contained in certificates of officers of Webster and Sterling, reasonably satisfactory in form and substance to such counsel.

7.3 Conditions to Obligations of Sterling. The obligation of Sterling to effect the Merger is also subject to the satisfaction or waiver by Sterling at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. The representations and warranties of Webster set forth in Sections 4.2(a) and 4.8(a) (in each case, after giving effect to the lead-in to Article IV) shall be true and correct (other than, in the case of Section 4.2(a), such failures to be true and correct as are *de minimis*) in each case as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties are expressly made as of another date, in which case as of such date), and the representations and warranties of Webster set forth in Sections 4.1(a), 4.1(b) (with respect to Significant Subsidiaries only), 4.2(b) (with respect to Significant Subsidiaries only), 4.3(a) and 4.7 (in each case, read without giving effect to any qualification as to materiality or Material Adverse Effect set forth in such representations or warranties but, in each case, after giving effect to the lead-in to Article IV) shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties are expressly made as of another date, in which case as of such date). All other representations and warranties of Webster set forth in this Agreement (read without giving effect to any qualification as to materiality or Material Adverse Effect set forth in such representations or warranties but, in each case, after giving effect to the lead-in to Article IV) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties are expressly made as of another date, in which case as of such date), provided, that for purposes of this sentence, such representations and warranties shall be deemed to be true and correct unless the failure or failures of such representations and warranties to be so true and correct, either individually or in the aggregate, and without giving effect to any qualification as to materiality or Material Adverse Effect set forth in such representations or warranties, has had or would reasonably be expected to have a Material Adverse Effect on Webster. Sterling shall have received a certificate signed on behalf of Webster by the Chief Executive Officer or the Chief Financial Officer of Webster to the foregoing effect.

(b) Performance of Obligations of Webster. Webster shall have performed in all material respects the obligations, covenants and agreements required to be performed by it under this Agreement at or prior to the Effective Time, including, but not limited to, the covenant to take all actions necessary to adopt the Webster Bylaw Amendment and the resolutions referenced therein and to effect the requirements referenced therein that are to be effected as of the Effective Time, and Sterling shall have received a certificate signed on behalf of Webster by the Chief Executive Officer or the Chief Financial Officer of Webster to such effect.

(c) Federal Tax Opinion. Sterling shall have received the opinion of Squire Patton Boggs (US) LLP, in form and substance reasonably satisfactory to Sterling, dated as of the Closing Date, to the effect that, on the basis of facts, representations and assumptions set forth or referred to in such opinion, the Merger shall qualify as a "reorganization" within the meaning of Section 368(a) of the Code. In rendering such opinion, counsel may require and rely upon representations contained in certificates of officers of Webster and Sterling, reasonably satisfactory in form and substance to such counsel.

ARTICLE VIII

TERMINATION AND AMENDMENT

8.1 Termination. This Agreement may be terminated at any time prior to the Effective Time, whether before or after receipt of the Requisite Sterling Vote or the Requisite Webster Vote:

(a) by mutual written consent of Webster and Sterling;

(b) by either Webster or Sterling if any Governmental Entity that must grant a Requisite Regulatory Approval has denied approval of the Merger or the Bank Merger and such denial has become final and nonappealable or any Governmental Entity of competent jurisdiction shall have issued a final and nonappealable order, injunction, decree or other legal restraint or prohibition permanently enjoining or otherwise prohibiting or making illegal the consummation of the Merger or the Bank Merger, unless the failure to obtain a Requisite Regulatory Approval shall be due to the failure of the party seeking to terminate this Agreement to perform or observe the obligations, covenants and agreements of such party set forth herein;

(c) by either Webster or Sterling if the Merger shall not have been consummated on or before April 18, 2022 (the "Termination Date"), unless the failure of the Closing to occur by such date shall be due to the failure of the party seeking to terminate this Agreement to perform or observe the obligations, covenants and agreements of such party set forth herein;

(d) by either Webster or Sterling (provided, that the terminating party is not then in material breach of any representation, warranty, obligation, covenant or other agreement contained herein) if there shall have been a breach of any of the obligations, covenants or agreements or any of the representations or warranties (or any such representation or warranty shall cease to be true) set forth in this Agreement on the part of Sterling, in the case of a termination by Webster, or Webster, in the case of a termination by Sterling, which breach or failure to be true, either individually or in the aggregate with all other breaches by such party (or failures of such representations or warranties to be true), would constitute, if occurring or continuing on the Closing Date, the failure of a condition set forth in Section 7.2, in the case of a termination by Webster, or Section 7.3, in the case of a termination by Sterling, and which is not cured within forty-five (45) days following written notice to Sterling, in the case of a termination by Webster, or Webster, in the case of a termination by Sterling, or by its nature or timing cannot be cured during such period (or such fewer days as remain prior to the Termination Date);

(e) by Sterling prior to such time as the Requisite Webster Vote is obtained, if (i) Webster or the Board of Directors of Webster shall have made a Recommendation Change or (ii) Webster or the Board of Directors of Webster shall have breached its obligations under Section 6.3 or 6.13 in any material respect; or

(f) by Webster prior to such time as the Requisite Sterling Vote is obtained, if (i) Sterling or the Board of Directors of Sterling shall have made a Recommendation Change or

(ii) Sterling or the Board of Directors of Sterling shall have breached its obligations under Section 6.3 or 6.13 in any material respect.

8.2 Effect of Termination.

(a) In the event of termination of this Agreement by either Webster or Sterling as provided in Section 8.1, this Agreement shall forthwith become void and have no effect, and none of Webster, Sterling, any of their respective Subsidiaries or any of the officers or directors of any of them shall have any liability of any nature whatsoever hereunder, or in connection with the transactions contemplated hereby, except that (i) Section 6.2(b), Section 6.14 and this Section 8.2 and Article IX shall survive any termination of this Agreement, and (ii) notwithstanding anything to the contrary contained in this Agreement, neither Webster nor Sterling shall be relieved or released from any liabilities or damages arising out of its willful and material breach of any provision of this Agreement.

(b)

(i) In the event that after the date of this Agreement and prior to the termination of this Agreement, a bona fide Acquisition Proposal shall have been communicated to or otherwise made known to the Board of Directors or senior management of Sterling or shall have been made directly to the stockholders of Sterling generally or any person shall have publicly announced (and not withdrawn at least two (2) business days prior to the Sterling Meeting) an Acquisition Proposal, in each case with respect to Sterling and (A) (x) thereafter this Agreement is terminated by either Webster or Sterling pursuant to Section 8.1(c) without the Requisite Sterling Vote having been obtained (and all other conditions set forth in Sections 7.1 and 7.3 were satisfied or were capable of being satisfied prior to such termination) or (y) thereafter this Agreement is terminated by Webster pursuant to Section 8.1(d) as a result of a willful breach by Sterling, and (B) prior to the date that is twelve (12) months after the date of such termination, Sterling enters into a definitive agreement or consummates a transaction with respect to an Acquisition Proposal (whether or not the same Acquisition Proposal as that referred to above), then Sterling shall, on the earlier of the date it enters into such definitive agreement and the date of consummation of such transaction, pay Webster, by wire transfer of same day funds, a fee equal to $185,000,000 (the "Termination Fee"); provided, that for purposes of this Section 8.2(b)(i), all references in the definition of Acquisition Proposal to "25%" shall instead refer to "50%".

(ii) In the event that this Agreement is terminated by Webster pursuant to Section 8.1(f), then Sterling shall pay Webster, by wire transfer of same day funds, the Termination Fee within two (2) business days of the date of termination.

(c)

(i) In the event that after the date of this Agreement and prior to the termination of this Agreement, a bona fide Acquisition Proposal shall have been communicated to or otherwise made known to the Board of Directors or senior management of Webster or shall have been made directly to the stockholders of Webster generally or any person shall have publicly announced (and not withdrawn at least two (2) business days prior to the Webster Meeting) an Acquisition Proposal, in each case with respect to Webster, and (A) (x) thereafter this Agreement is terminated by either Webster or Sterling pursuant to Section 8.1(c) without the Requisite Webster Vote having been obtained (and all other conditions set forth in Sections 7.1 and 7.2 were satisfied or were capable of being satisfied prior to such termination) or (y) thereafter this Agreement is terminated by Sterling pursuant to Section 8.1(d) as a result of a willful breach by Webster, and (B) prior to the date that is twelve (12) months after the date of such termination, Webster enters into a definitive agreement or consummates a transaction with respect to an Acquisition Proposal (whether or not the same Acquisition Proposal as that referred to above), then Webster shall, on the earlier of the date it enters into such definitive agreement and the date of consummation of such transaction, pay Sterling, by wire transfer of same day funds, the Termination Fee, provided, that for purposes of this Section 8.2(c)(i), all references in the definition of Acquisition Proposal to “25%” shall instead refer to “50%”.

(ii) In the event that this Agreement is terminated by Sterling pursuant to Section 8.1(e), then Webster shall pay Sterling, by wire transfer of same day funds, the Termination Fee within two (2) business days of the date of termination.

(d) Notwithstanding anything to the contrary herein, but without limiting the right of any party to recover liabilities or damages to the extent permitted herein, in no event shall either party be required to pay the Termination Fee more than once.

(e) Each of Webster and Sterling acknowledges that the agreements contained in this Section 8.2 are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, the other party would not enter into this Agreement; accordingly, if Webster or Sterling, as the case may be, fails promptly to pay the amount due pursuant to this Section 8.2, and, in order to obtain such payment, the other party commences a suit which results in a judgment against the non-paying party for the Termination Fee or any portion thereof, such non-paying party shall pay the costs and expenses of the other party (including attorneys’ fees and expenses) in connection with such suit. In addition, if Webster or Sterling, as the case may be, fails to pay the amounts payable pursuant to this Section 8.2, then such party shall pay interest on such overdue amounts (for the period commencing as of the date that such overdue amount was originally required to be paid and ending on the date that such overdue amount is actually paid in full) at a rate per annum equal to the “prime rate” published in the *Wall Street Journal* on the date on which such payment was required to be made for the period commencing as of the date that such overdue amount was originally required to be paid and ending on the date that such overdue amount is actually paid in full.

ARTICLE IX

GENERAL PROVISIONS

9.1 Nonsurvival of Representations, Warranties and Agreements. None of the representations, warranties, covenants or agreements in this Agreement or in any instrument delivered pursuant to this Agreement (other than the Confidentiality Agreement, which shall survive in accordance with its terms) shall survive the Effective Time, except for Section 6.7 and for those other covenants and agreements contained herein and therein which by their terms apply or are to be performed in whole or in part after the Effective Time.

9.2 Amendment. Subject to compliance with applicable law, this Agreement may be amended by the parties hereto at any time before or after the receipt of the Requisite Webster Vote or the Requisite Sterling Vote; provided, that after adoption of this Agreement by the respective stockholders of Webster or Sterling, there may not be, without further approval of the stockholders of Webster or Sterling, as applicable, any amendment of this Agreement that requires such further approval under applicable law. This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each of the parties hereto.

9.3 Extension; Waiver. At any time prior to the Effective Time, each of the parties hereto may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other party hereto, (b) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered by such other party pursuant hereto, and (c) waive compliance with any of the agreements or satisfaction of any conditions for its benefit contained herein; provided, that after the receipt of the Requisite Webster Vote or the Requisite Sterling Vote, there may not be, without further approval of the stockholders of Webster or Sterling, as applicable, any extension or waiver of this Agreement or any portion thereof that requires such further approval under applicable law. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party, but such extension or waiver or failure to insist on strict compliance with an obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

9.4 Expenses. Except as otherwise provided in Section 8.2, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expense; provided, that the costs and expenses of printing and mailing the Joint Proxy Statement and all filing and other fees paid to the SEC or any other Governmental Entity in connection with the Merger shall be borne equally by Webster and Sterling.

9.5 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or if by e-mail, upon confirmation of receipt, (b) on the first (1st) business day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth (5th) business day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

(a) if to Webster, to:

Webster Financial Corporation

145 Bank Street
Waterbury, Connecticut 06702
Attention: Harriet Munrett Wolfe
Email: hwolfe@websterbank.com

With a copy (which shall not constitute notice) to:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
Attention: Edward D. Herlihy
Jacob A. Kling
Email: EDHerlihy@wlrk.com
JAKling@wlrk.com

and

(b) if to Sterling, to:

Sterling Bancorp
360 Hamilton Avenue, 7th Floor
White Plains, New York 10601
Attention: James P. Blose
Email: JBlose@snb.com

With a copy (which shall not constitute notice) to:

Squire Patton Boggs (US) LLP
2550 M Street, NW
Washington, D.C. 20037
Attention: James J. Barresi
Abby E. Brown
Email: James.Barresi@squirepb.com
Abby.Brown@squirepb.com

9.6 Interpretation. The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement. When a reference is made in this Agreement to Articles, Sections, Exhibits or Schedules, such reference shall be to an Article or Section of or Exhibit or Schedule to this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The word "or" shall not be exclusive. References to "the date hereof" mean the date of this Agreement. As used in this Agreement, the "knowledge" of Sterling means the actual knowledge of any of the officers of Sterling listed on Section 9.6 of the Sterling Disclosure Schedule, and the "knowledge" of Webster means the actual knowledge of any of the officers of Webster listed on Section 9.6 of the Webster Disclosure Schedule. As used herein, (a) "business day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York or Stamford, Connecticut are authorized by law or executive order to be closed, (b) "person" means any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, Governmental Entity or other entity of any kind or nature, (c) an "affiliate" of a specified person is any person that directly or indirectly controls, is controlled by, or is under common control with, such specified person, (d) "made available" means any document or other information that was (i) provided by one party or its representatives to the other party and its representatives prior to the date hereof, (ii) included in the virtual data room of a party prior to the date hereof or (iii) filed by a party with the SEC and publicly available on EDGAR prior to the date hereof, (e) the "transactions contemplated hereby" and "transactions contemplated by this Agreement" shall include the Merger and the Bank Merger and (f) "ordinary course" and "ordinary course of business" with respect to either party shall take into account the commercially reasonable actions taken by such party and its Subsidiaries in response to the Pandemic and the Pandemic Measures. The Sterling Disclosure Schedule and the Webster Disclosure Schedule, as well as all other schedules and all exhibits hereto, shall be deemed part of this Agreement and included in any reference to this Agreement. All references to "dollars" or "$" in this Agreement are to United States dollars. This Agreement shall not be interpreted or construed to require any person to take any action, or fail to take any action, if to do so would violate any applicable law (which shall include for purposes of this Agreement any Pandemic Measures).

9.7 Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

9.8 Entire Agreement. This Agreement (including the documents and the instruments referred to herein) together with the Confidentiality Agreement constitutes the entire agreement among the parties and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

9.9 Governing Law; Jurisdiction.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to any applicable conflicts of law.

(b) Each party agrees that it will bring any action or proceeding in respect of any claim arising out of or related to this Agreement or the transactions contemplated hereby exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware, or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any federal or state court of competent jurisdiction located in the State of Delaware (the "Chosen Courts"), and, solely in connection with claims arising under this Agreement or the transactions that are the subject of this Agreement, (i) irrevocably submits to the exclusive jurisdiction of the Chosen Courts, (ii) waives any objection to laying venue in any such action or proceeding in the Chosen Courts, (iii) waives any objection that the Chosen Courts are an inconvenient forum or do not have jurisdiction over any party and (iv) agrees that service of process upon such party in any such action or proceeding will be effective if notice is given in accordance with Section 9.5.

9.10 Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE EXTENT PERMITTED BY LAW AT THE TIME OF INSTITUTION OF THE APPLICABLE LITIGATION, ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) EACH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.10.

9.11 Assignment; Third-Party Beneficiaries. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party. Any purported assignment in contravention hereof shall be null and void. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns. Except as otherwise specifically provided in Section 6.7, this Agreement (including the documents and instruments referred to herein) is not intended to, and does not, confer upon any person other than the parties hereto any rights or remedies hereunder, including the right to rely upon the representations and warranties set forth herein. The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of the parties. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance herewith without notice or liability to any other person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, persons other than the parties may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

9.12 Specific Performance. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with its specific terms or otherwise breached. Accordingly, the parties shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches or threatened breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof (including the parties' obligation to consummate the Merger), in addition to any other remedy to which they are entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security or a bond as a prerequisite to obtaining equitable relief.

9.13 Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction such that the invalid, illegal or unenforceable provision or portion thereof shall be interpreted to be only so broad as is enforceable.

9.14 Confidential Supervisory Information. Notwithstanding any other provision of this Agreement, no disclosure, representation or warranty shall be made (or other action taken) pursuant to this Agreement that would involve the disclosure of confidential supervisory information (including confidential supervisory information as defined or identified in 12 C.F.R. § 261.2(b) and 12 C.F.R. § 4.32(b)) of a Governmental Entity by any party to this Agreement to the extent prohibited by applicable law. To the extent legally permissible, appropriate substitute disclosures or actions shall be made or taken under circumstances in which the limitations of the preceding sentence apply.

9.15 Delivery by Electronic Transmission. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments or waivers hereto or thereto, to the extent signed and delivered by e-mail delivery of a ".pdf" format data file or other electronic means, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No party hereto or to any such agreement or instrument shall raise the use of e-mail delivery of a ".pdf" format data file or other electronic means to deliver a signature to this Agreement or any amendment hereto or the fact that any signature or agreement or instrument was transmitted or communicated through the use of e-mail delivery of a ".pdf" format data file or other electronic means as a defense to the formation of a contract and each party hereto forever waives any such defense.

[Signature Page Follows]

IN WITNESS WHEREOF, Sterling and Webster have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

STERLING BANCORP

By: ______________________________

Name: Jack L. Kopnisky

Title: President and Chief Executive Officer

WEBSTER FINANCIAL CORPORATION

By: ______________________________

Name:

Title:

IN WITNESS WHEREOF, Sterling and Webster have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

STERLING BANCORP

By: ______________________________
Name:
Title:

WEBSTER FINANCIAL CORPORATION

By: John R. Ciulla
Name: John R. Ciulla
Title: Chairman, President and Chief Executive Officer

Public Exhibit 2

Form of Bank Merger Agreement

FORM OF AGREEMENT AND PLAN OF MERGER OF
STERLING NATIONAL BANK
WITH AND INTO
WEBSTER BANK, NATIONAL ASSOCIATION

This Agreement and Plan of Merger (this "Agreement"), dated as of [●], 2021, is made by and between Webster Bank, National Association, a national bank ("Webster Bank"), and Sterling National Bank, a national bank ("Sterling Bank").

W I T N E S S E T H:

WHEREAS, Webster Bank is a national banking association duly organized and existing under the laws of the United States, with its main office located in Waterbury, Connecticut, all the issued and outstanding capital stock of which is owned as of the date hereof directly by Webster Financial Corporation, a Delaware corporation ("Webster");

WHEREAS, Sterling Bank is a national banking association duly organized and existing under the laws of the United States, with its main office located in Pearl River, New York, all the issued and outstanding capital stock of which is owned as of the date hereof directly by Sterling Bancorp, a Delaware corporation ("Sterling");

WHEREAS, Webster and Sterling have entered into an Agreement and Plan of Merger, dated as of April 18, 2021 (as amended or supplemented from time to time, the "Merger Agreement"), pursuant to which, subject to the terms and conditions thereof, Sterling will merge with and into Webster (the "Merger"), with Webster continuing as the surviving corporation in the Merger;

WHEREAS, contingent upon the Merger, on the terms and subject to the conditions contained in this Agreement, the parties to this Agreement intend to effect the merger of Sterling Bank with and into Webster Bank (the "Bank Merger"), with Webster Bank continuing as the surviving entity in the Bank Merger; and

WHEREAS, the board of directors of Webster Bank and the board of directors of Sterling Bank deem the Bank Merger advisable and in the best interests of their respective banks, and have each adopted resolutions authorizing and approving the execution and delivery of this Agreement and the transactions contemplated hereby.

NOW, THEREFORE, in consideration of the promises and of the mutual agreements herein contained, the parties hereto do hereby agree as follows:

ARTICLE I

BANK MERGER

Section 1.01 The Bank Merger. Subject to the terms and conditions of this Agreement, at the Effective Time (as defined below), Sterling Bank shall be merged with and into Webster Bank in accordance with the provisions of, and with the effects provided in, applicable law (including 12 U.S.C. § 215a-1, 12 U.S.C. § 1831u and 12 U.S.C. § 1828(c)). At the Effective

Time, the separate existence of Sterling Bank shall cease, and Webster Bank, as the surviving entity in the Bank Merger (the "Surviving Bank"), shall continue its existence under the laws of the United States as a national banking association. The Surviving Bank shall be responsible for all of the liabilities of every kind and description, including liabilities arising from the operation of any trust department, of each of the merging banks existing as of the Effective Time. Immediately following the Effective Time, the Surviving Bank shall continue to operate the main office and each of the branches of Sterling Bank existing as of the Effective Time as branches of the Surviving Bank at the officially designated address of each such office or branch and shall continue to operate each of the branches of the Surviving Bank existing at the Effective Time, in each case without limiting the authority under applicable law of Webster Bank or of the Surviving Bank (as applicable) to close, relocate or otherwise make any change regarding any such branch.

Section 1.02 Closing. The closing of the Bank Merger will take place immediately following the Merger, but in no case prior to the date on which all of the conditions precedent to the consummation of the Bank Merger specified in this Agreement shall have been satisfied or duly waived by the party or parties entitled to satisfaction thereof, at such place as is agreed by the parties hereto.

Section 1.03 Effective Time. On the terms and subject to the conditions of this Agreement and subject to applicable law, the Bank Merger shall become effective as set forth in the certification of merger issued by the Office of the Comptroller of the Currency (the "OCC") (the date and time of such effectiveness being herein referred to as the "Effective Time").

Section 1.04 Articles of Association and Bylaws. The national bank charter, articles of association and bylaws of Webster Bank in effect immediately prior to the Effective Time, as amended to give effect to the Webster Bylaw Amendment that is attached as Exhibit B to the Merger Agreement and Section 6.12 of the Merger Agreement, shall be the national bank charter, articles of association and the bylaws of the Surviving Bank, in each case until amended in accordance with applicable law and the terms thereof.

Section 1.05 Name and Main Office. The name of the Surviving Bank shall be "Webster Bank, National Association" and the main office of the Surviving Bank shall be located in Stamford, Connecticut.

Section 1.06 Board of Directors. Effective as of the Effective Time, the number of directors that will comprise the full board of directors of the Surviving Bank shall be fifteen (15). Of the members of the initial board of directors of the Surviving Bank as of the Effective Time, seven (7) shall be members of the board of directors of Sterling as of immediately prior to the Effective Time, designated by Sterling, which shall include Mr. Jack L. Kopnisky, and eight (8) shall be members of the board of directors of Webster as of immediately prior to the Effective Time, designated by Webster, which shall include Mr. John R. Ciulla. In addition, effective as of the Effective Time, Mr. William L. Atwell (or another independent member of the board of directors of Webster, designated by Webster) shall serve as the Lead Independent Director of the board of directors of the Surviving Bank.

Section 1.07 Tax Treatment. It is the intention of the parties that the Bank Merger be treated for U.S. federal income tax purposes as a "tax free reorganization" pursuant to Section 368(a) of the Internal Revenue Code of 1986, as amended.

ARTICLE II

TREATMENT OF SHARES

Section 2.01 Effect on Sterling Bank Capital Stock. At the Effective Time, by virtue of the Bank Merger and without any action on the part of the holder of any capital stock of Sterling Bank, all shares of Sterling Bank capital stock issued and outstanding shall be automatically cancelled and retired and shall cease to exist, and no cash, new shares of capital stock or other property shall be delivered in exchange therefor.

Section 2.02 Effect on Webster Bank Capital Stock. Each share of Webster Bank capital stock issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding and unaffected by the Bank Merger. As of the date hereof, [●] shares of Webster Bank common stock are issued and outstanding; such shares will constitute all of the issued and outstanding capital stock of the Surviving Bank immediately after the Effective Time.

ARTICLE III

COVENANTS

Section 3.01 If at any time the Surviving Bank shall reasonably require that any further assignments, conveyances or assurances are necessary or desirable to vest, perfect or confirm in the Surviving Bank title to any property or rights of Sterling Bank as of the Effective Time or otherwise carry out the provisions hereof, the proper officers and directors of Sterling Bank, as of the Effective Time, and thereafter the officers of the Surviving Bank acting on behalf of Sterling Bank, shall execute and deliver any and all proper assignments, conveyances and assurances, and do all things necessary or desirable to vest, perfect or confirm title to such property or rights in the Surviving Bank and otherwise carry out the provisions hereof.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.01 The Bank Merger and the respective obligations of each party hereto to consummate the Bank Merger are subject to the fulfillment or written waiver of each of the following conditions prior to the Effective Time:

a. The approval of the OCC under 12 U.S.C. § 215a-1, 12 U.S.C. § 1831u and 12 U.S.C. § 1828(c) with respect to the Bank Merger shall have been obtained and shall be in full force and effect, and all related waiting periods shall have expired; and all other material consents, approvals, permissions, and authorizations of, filings and registrations with, and notifications to, all governmental authorities required for the consummation of the Bank Merger shall have been obtained or made and shall be in full force and effect and all waiting periods required by law shall have expired.

b. The Merger shall have been consummated in accordance with the terms of the Merger Agreement.

c. No order, injunction or decree issued by any court or governmental entity of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Bank Merger shall be in effect. No law, statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any governmental entity which prohibits or makes illegal consummation of the Bank Merger.

d. This Agreement and the Bank Merger shall have been approved, or ratified and confirmed, as applicable, by the sole stockholder of each of Webster Bank and Sterling Bank.

ARTICLE V

TERMINATION AND AMENDMENT

Section 5.01 Termination. This Agreement may be terminated at any time prior to the Effective Time by a written instrument executed by each of the parties hereto. This Agreement will terminate automatically without any action by the parties hereto upon the termination of the Merger Agreement as therein provided.

Section 5.02 Effect of Termination. In the event of termination of this Agreement as provided in Section 5.01, this Agreement shall forthwith become void and have no effect, and none of Webster Bank, Sterling Bank or any of the officers or directors of any of them shall have any liability of any nature whatsoever hereunder, or in connection with the transactions contemplated hereby, except that neither Webster Bank nor Sterling Bank shall be relieved or released from any liabilities or damages arising out of its willful and material breach of any provision of this Agreement.

Section 5.03 Amendment. This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each of the parties hereto.

ARTICLE VI

GENERAL PROVISIONS

Section 6.01 Representations and Warranties. Each of the parties hereto represents and warrants that this Agreement has been duly authorized, executed and delivered by such party and constitutes the legal, valid and binding obligation of such party, enforceable against it in accordance with the terms hereof.

Section 6.02 Nonsurvival of Representations, Warranties and Agreements. None of the representations, warranties, covenants or agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time or the termination of this Agreement in accordance with Section 5.01.

Section 6.03 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or if by e-mail, upon confirmation of receipt, (b) on the first (1st) business day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth (5th) business day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

If to Webster Bank, to:

Webster Financial Corporation
145 Bank Street
Waterbury, Connecticut 06702
Attention: Harriet Munrett Wolfe
E-mail: hwolfe@websterbank.com

With a copy (which shall not constitute notice) to:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
Attention: Edward D. Herlihy
Jacob A. Kling
E-mail: EDHerlihy@wlrk.com
JAKling@wlrk.com

If to Sterling Bank, to:

Sterling Bancorp
360 Hamilton Avenue, 7th Floor
White Plains, New York 10601
Attention: James P. Blose
E-mail: JBlose@snb.com

With a copy (which shall not constitute notice) to:

Squire Patton Boggs (US) LLP
2550 M Street, NW

Washington, D.C. 20037
Attention: James J. Barresi
Abby E. Brown
Email: James.Barresi@squirepb.com
Abby.Brown@squirepb.com

Section 6.04 Interpretation. The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The word "or" shall not be exclusive. References to "the date hereof" mean the date of this Agreement. As used herein, "business day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York or Stamford, Connecticut are authorized by law or executive order to be closed.

Section 6.05 Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

Section 6.06 Entire Agreement. This Agreement (including the documents and the instruments referred to herein) constitutes the entire agreement among the parties and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof, other than the Merger Agreement.

Section 6.07 Governing Law; WAIVER OF JURY TRIAL. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to any applicable conflicts of law principles, except to the extent that the federal laws of the United States shall be applicable hereto. EACH OF THE PARTIES HERETO WAIVES ANY RIGHT TO REQUEST A TRIAL BY JURY IN ANY LITIGATION WITH RESPECT TO THIS AGREEMENT AND REPRESENTS THAT COUNSEL HAS BEEN CONSULTED SPECIFICALLY AS TO THIS WAIVER.

Section 6.08 Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction such that the invalid, illegal or unenforceable provision or portion thereof shall be interpreted to be only so broad as is enforceable.

Section 6.09 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party. Any purported assignment in contravention hereof shall be null and void. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 6.10 Specific Performance. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with its specific terms or otherwise breached. Accordingly, the parties shall be entitled to specific performance of the terms hereof, including an injunction or injunctions to prevent breaches or threatened breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof (including the parties' obligation to consummate the Bank Merger), in addition to any other remedy to which they are entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security or a bond as a prerequisite to obtaining equitable relief.

Section 6.11 Delivery by Electronic Transmission. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments or waivers hereto or thereto, to the extent signed and delivered by e-mail delivery of a ".pdf" format data file or other electronic means, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No party hereto or to any such agreement or instrument shall raise the use of e-mail delivery of a ".pdf" format data file or other electronic means to deliver a signature to this Agreement or any amendment hereto or the fact that any signature or agreement or instrument was transmitted or communicated through the use of e-mail delivery of a ".pdf" format data file or other electronic means as a defense to the formation of a contract and each party hereto forever waives any such defense.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in counterparts by their duly authorized officers and attested by their officers thereunto duly authorized, all as of the day and year first above written.

STERLING NATIONAL BANK

____
By:
Title:

WEBSTER BANK, NATIONAL ASSOCIATION

____

By:

Title:

Public Exhibit 3

Subsidiaries of Sterling Bancorp and Sterling National Bank

**STERLING BANCORP AND STERLING NATIONAL BANK **
DIRECT AND INDIRECT SUBSIDIARIES

<u>Nonbanking Subsidiaries of Sterling Bancorp</u>:

Name of Subsidiary	Main Office Address	Immediate Parent Name	Form of Equity & %	Business Activities/Purpose of Sub.	BHC Act Authority
STL Holdings, Inc. (“STL Holdings”)	Two Blue Hill Plaza Second Floor Pearl River, NY 10965 (“Pearl River Address”)	Sterling Bancorp	100% voting common	Non-operating holding company for now inactive title insurance subsidiaries	12 CFR 225.86(a)(1) & (2)(vii); 12 CFR 225.86(c)
Sterling Silver Title Agency LP	Pearl River Address	STL Holdings	50% LP interest	Inactive subsidiary; Limited partner with Madison Title (formerly engaged in title insurance business)	12 CFR 225.86(a)(1) & (2)(vii); 12 CFR 225.86(c)
Sterling Silver Abstract LLC	Pearl River Address	STL Holdings	100% LLC units	Inactive subsidiary; formerly engaged in title abstract services	12 CFR 225.86(a)(1) & (2)(vii)

<u>Subsidiaries of Sterling National Bank</u>:

Name of Subsidiary	Main Office Address	Immediate Parent Name	Form of Equity/ $ Amount & %	Business Activities/ Purpose of Sub.	National Bank Regulatory Authority
AF Agency Inc	Two Blue Hill Plaza Second Floor Pearl River, NY 10965 ("<u>Pearl River Address</u>")	Sterling National Bank	100% voting common	Provides various wealth management (*e.g.*, mutual fund investments)/annuity products, as agent, to bank customers	12 CFR 5.34(f)(5)(xiv) & (xx)
AF Insurance Agency, Inc.	Pearl River Address	Sterling National Bank	100% voting common	Previously made insurance products available to customers through third parties; no longer active and no assets	12 CFR 5.34(f)(5)(i)
21 Scarsdale Road Corp.	Pearl River Address	Sterling National Bank	100% voting common	Formerly held deed to property at 21 Scarsdale Rd., Yonkers, NY; currently no assets	12 CFR 5.34(f)(5)(i)
369 East Realty Corp.	Pearl River Address	Sterling National Bank	100% voting common	Formerly held deed to property at 369 East 149th Street, Bronx, NY; currently no assets	12 CFR 5.34(f)(5)(i)
Fidata Service Corp.	Pearl River Address	Sterling National Bank	100% voting common	Invests in loans	12 CFR 5.34(f)(5)(i)
Grassy Sprain Real Estate Holdings, Inc.	Pearl River Address	Sterling National Bank	100% voting common	Former Hudson Valley Bank REIT entity	12 CFR 5.34(f)(5)(i)
HVB Fleet Services Corp.	Pearl River Address	Sterling National Bank	100% voting common	Holds title to the bank holding company's/ bank's vehicles; currently no assets	12 CFR 5.34(f)(5)(i)

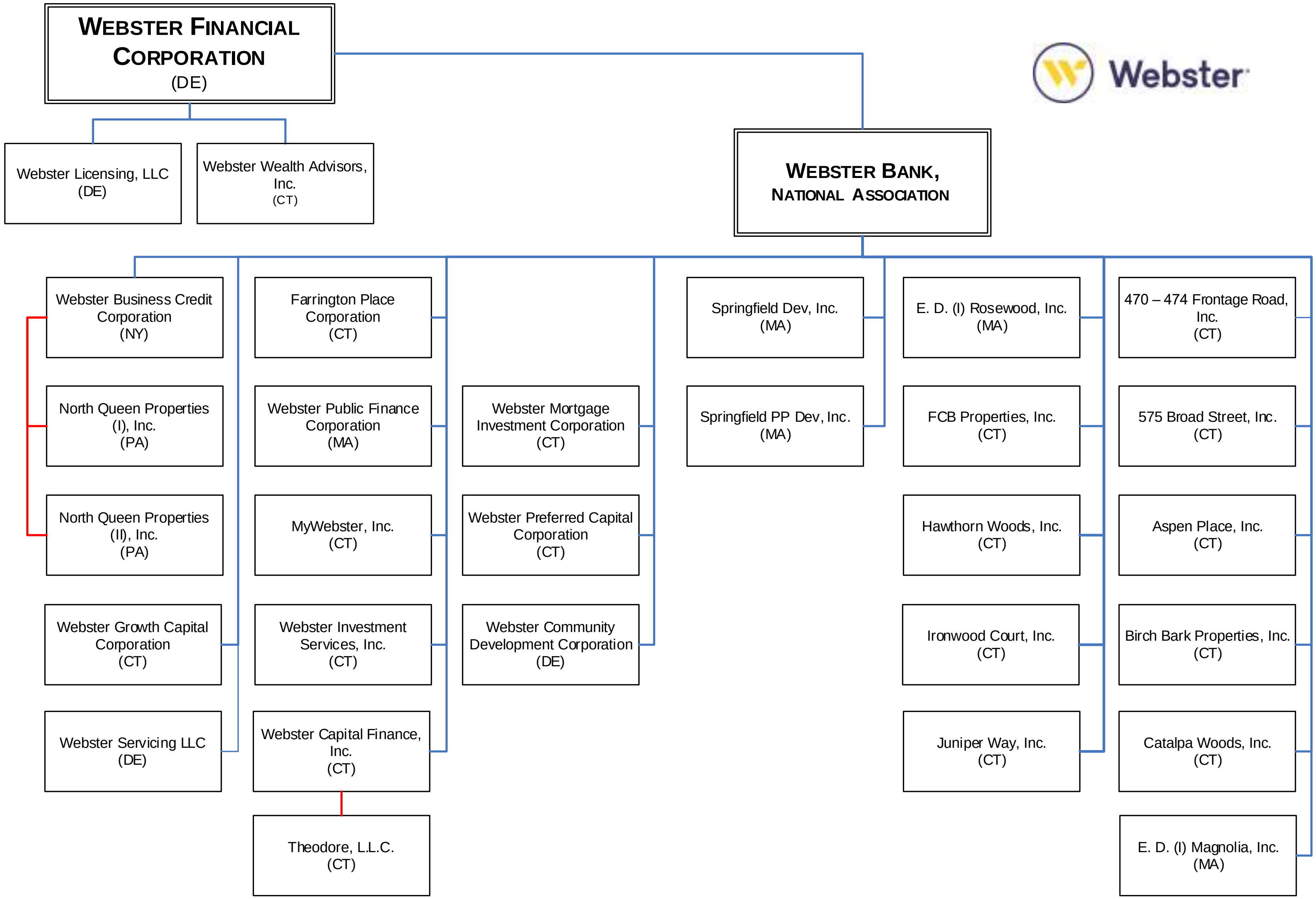
Name of Subsidiary	Main Office Address	Immediate Parent Name	Form of Equity/ $ Amount & %	Business Activities/ Purpose of Sub.	National Bank Regulatory Authority
HVB Properties Corp.	Pearl River Address	Sterling National Bank	100% voting common	Holds deed to holding company's/ bank's property; currently no other assets	12 CFR 5.34(f)(5)(i)
Mortgage Headquarters, Inc.	Pearl River Address	Sterling National Bank	100% voting common	Former real estate holding company; currently no assets	12 CFR 5.34(f)(5)(iii)
Provest Services Corp. II	Pearl River Address	Sterling National Bank	100% voting common	Leases spaces for the sale of mutual funds, annuities and life insurance	12 CFR 5.34(f)(5)(i)
Sterling Business Credit LLC	Pearl River Address	Sterling National Bank	100% units	Asset-based lending	12 CFR 5.34(f)(5)(iii)
Sterling Business Funding 2010-1, LLC	Pearl River Address	Sterling National Bank	100% units	Asset-based lending	12 CFR 5.34(f)(5)(iii)
Sterling Business Funding 2012-1, LLC	Pearl River Address	Sterling National Bank	100% units	Asset-based lending	12 CFR 5.34(f)(5)(iii)
Sterling Factors Corporation	Pearl River Address	Sterling National Bank	100% voting common	Tenant on lease for 500 7th Ave., NY, NY	12 CFR 5.34(f)(5)(i)
Sterling National Funding Corp. (f//k/a Provest Services Corp. I)	Pearl River Address	Sterling National Bank	100% voting common	Holds municipal securities; provides financing to municipalities, state governments and other governmental entities across the U.S.	12 CFR 5.34(f)(5)(iii), (xi), (viv)
Sterling National Mortgage Company Inc.("Sterling National Mortgage")	Pearl River Address	Sterling National Bank	100% voting common	Formerly engaged in mortgage lending	12 CFR 5.34(f)(5)(iii)

Name of Subsidiary	**Main Office Address**	**Immediate Parent Name**	**Form of Equity/ $ Amount & %**	**Business Activities/ Purpose of Sub.**	**National Bank Regulatory Authority**
- Sterling REIT, Inc.	Pearl River Address	Sterling National Mortgage	100% voting common	Holds mortgage loans originated by Sterling National Bank	12 CFR 5.34(f)(5)(iii)
500 Commercial Holding Corp. ("500 Commercial")	Pearl River Address	Sterling National Bank	100% voting common	Holding company for OREO subsidiaries	12 CFR 5.34(f)(5)(i)
- 10 Ben Holding Corp.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- 143 Will Holding Corp.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- 325 West Holding Corp.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- 682 Jam Holding Corp.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- AllSave Development, LLC	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- High Barney Road, LLC	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- HudSave Development, Inc.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- ProSave Development, Inc.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
- Sprain Brook Realty Corp.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)

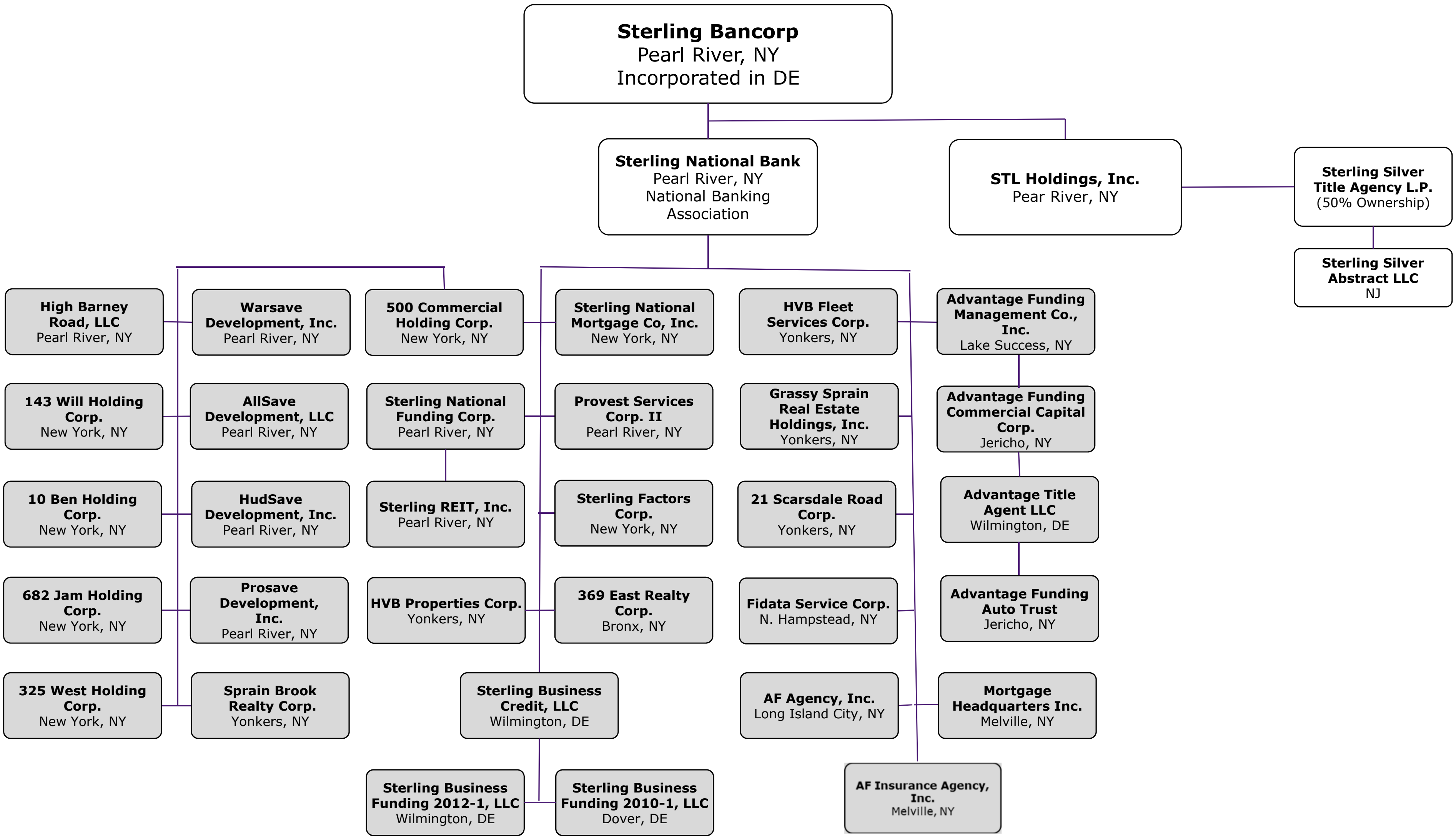
Name of Subsidiary	Main Office Address	Immediate Parent Name	Form of Equity/ $ Amount & %	Business Activities/ Purpose of Sub.	National Bank Regulatory Authority
- Warsave Development Inc.	Pearl River Address	500 Commercial	100% voting common	Holding company for OREO property	12 CFR 5.34(f)(5)(i)
Advantage Funding Management Co., Inc. ("Advantage Management")	Pearl River Address	Sterling National Bank	100% voting common	Originates all loans and leases	12 CFR 5.34(f)(5)(iii)
- Advantage Funding Commercial Capital Corporation	Pearl River Address	Advantage Management	100% voting common	Originates all loans and leases	12 CFR 5.34(f)(5)(iii)
- Advantage Funding Auto Trust	Pearl River Address	Advantage Management	100%	Originates leases	12 CFR 5.34(f)(5)(iii)
- Advantage Title Agent LLC	Pearl River Address	Advantage Management	100% units	Formerly held title to leased vehicles; currently no assets	12 CFR 5.34(f)(5)(i)
Sterling National Bank Charitable Foundation	Pearl River Address	Affiliate of Sterling National Bank	Control Relationship	Giving Charitable Donations to Third Parties	12 CFR part 24

Public Exhibit 4

Current WFC and Sterling Bancorp Organizational Charts


Webster Financial Corporation
(DE)
Webster Licensing, LLC
(DE)
Webster Wealth Advisors, Inc.
(CT)
Webster Bank, National Association
Webster Business Credit Corporation
(NY)
North Queen Properties (I), Inc.
(PA)
North Queen Properties (II), Inc.
(PA)
Webster Growth Capital Corporation
(CT)
Webster Servicing LLC
(DE)
Farrington Place Corporation
(CT)
Webster Public Finance Corporation
(MA)
MyWebster, Inc.
(CT)
Webster Investment Services, Inc.
(CT)
Webster Capital Finance, Inc.
(CT)
Theodore, L.L.C.
(CT)
Webster Mortgage Investment Corporation
(CT)
Webster Preferred Capital Corporation
(CT)
Webster Community Development Corporation
(DE)
Springfield Dev, Inc.
(MA)
Springfield PP Dev, Inc.
(MA)
E. D. (I) Rosewood, Inc.
(MA)
FCB Properties, Inc.
(CT)
Hawthorn Woods, Inc.
(CT)
Ironwood Court, Inc.
(CT)
Juniper Way, Inc.
(CT)
470 – 474 Frontage Road, Inc.
(CT)
575 Broad Street, Inc.
(CT)
Aspen Place, Inc.
(CT)
Birch Bark Properties, Inc.
(CT)
Catalpa Woods, Inc.
(CT)
E. D. (I) Magnolia, Inc.
(MA)

As of May 19, 2021



Public Exhibit 5

Certified Resolutions of the Boards of Directors of WFC and Webster Bank

WEBSTER FINANCIAL CORPORATION
AND
WEBSTER BANK, NATIONAL ASSOCIATION

SECRETARY'S CERTIFICATE

I, Harriet Munrett Wolfe, the duly elected, qualified and acting Secretary of Webster Financial Corporation (the "Corporation") and Webster Bank, National Association (the "Bank") on the date hereof, do hereby certify that, at a Special Meeting of the Board of Directors of the Corporation and the Bank duly held on April 18, 2021, the Boards of Directors adopted the resolutions attached hereto approving (i) the merger of Webster Financial Corporation and Sterling Bancorp and (ii) the merger of Webster Bank, National Association and Sterling National Bank.

I do hereby further certify that the resolutions have not been altered, modified, or rescinded, and remain in full force and effect on the date hereof.

Dated at Waterbury, Connecticut, this 24th day of May, 2021.

Harriet Munrett Wolfe
Secretary

WEBSTER FINANCIAL CORPORATION

WEBSTER BANK, NATIONAL ASSOCIATION

JOINT RESOLUTIONS OF THE BOARDS OF DIRECTORS

April 18, 2021

WHEREAS, Webster Financial Corporation, a Delaware corporation ("Webster"), proposes to enter into an Agreement and Plan of Merger (the "Merger Agreement"), by and between Webster and Sterling Bancorp, a Delaware corporation ("Sterling") (capitalized terms used in these resolutions and not otherwise defined herein shall have the meaning ascribed thereto in the Merger Agreement);

WHEREAS, the Merger Agreement provides for, among other things, subject to the conditions and limitations set forth therein and on the terms thereof, (a) the merger of Sterling with and into Webster (the "Merger"), with Webster continuing as the surviving corporation, (b) the conversion at the effective time of the Merger (the "Effective Time") of each outstanding share of common stock, par value $0.01 per share, of Sterling (such shares, collectively, the "Sterling Common Stock") (other than certain specified shares as set forth in the Merger Agreement) into the right to receive, without interest, 0.4630 of a share (the "Exchange Ratio," and such shares, collectively, the "Merger Consideration") of common stock, par value $0.01 per share, of Webster (such shares, collectively, the "Webster Common Stock"), and (c) the conversion at the Effective Time of each outstanding share of 6.50% Non-Cumulative Perpetual Preferred Stock, Series A, par value $0.01 per share, of Sterling (such shares, collectively, the "Sterling Series A Preferred Stock") into the right to receive one share of a newly created series of preferred stock of Webster on the terms set forth in the Merger Agreement (all such shares, collectively, the "New Webster Preferred Stock");

WHEREAS, the Merger Agreement provides for the treatment of (a) each option granted by Sterling to purchase shares of Sterling Common Stock that is outstanding and unexercised immediately prior to the Effective Time, (b) each restricted share of Sterling Common Stock subject to vesting, repurchase or other lapse restriction that is outstanding immediately prior to the Effective Time, (c) each performance share award in respect of shares of Sterling Common Stock that is outstanding immediately prior to the Effective Time, and (d) each hypothetical Sterling Common Stock investment that is unsettled immediately prior to the Effective Time (collectively, the "Sterling Equity Awards"), in each case as set forth in Section 1.8 of the Merger Agreement (collectively, the "Sterling Equity Award Treatment");

WHEREAS, the Merger Agreement also contemplates the merger of Sterling National Bank ("Sterling Bank"), a national banking association and wholly owned subsidiary of Sterling, with and into Webster Bank, National Association, a national banking association and wholly owned subsidiary of Webster ("Webster Bank") (the aforementioned merger transaction, the "Bank Merger" and together with the Merger, the "Mergers"), following the Merger, which Bank Merger shall be effectuated pursuant to the terms of an agreement and plan of merger to be entered into by Sterling Bank and Webster Bank (the "Bank Merger Agreement") in substantially the form attached to the Merger Agreement;

WHEREAS, it is intended that the Merger shall qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended;

WHEREAS, the board of directors of Webster (the "Webster Board") has received an opinion from J.P. Morgan Securities LLC and Piper Sandler & Co. to the effect that as of the date thereof and based upon and subject to the factors, assumptions and limitations set forth therein, the Exchange Ratio in the Merger is fair from a financial point of view to Webster;

WHEREAS, at this meeting and prior meetings, the Webster Board and the board of directors of Webster Bank (the "Webster Bank Board", and together with the Webster Board, the "Boards") have reviewed and discussed with Webster's and Webster Bank's management and with their financial and legal advisors the terms of the Merger Agreement, the terms of the Bank Merger Agreement and the transactions contemplated thereby, including, without limitation, the Mergers, the issuance of shares of Webster Common Stock and New Webster Preferred Stock in the Merger on the terms and conditions set forth in the Merger Agreement and the authorization, creation and designation of such New Webster Preferred Stock (including depositary shares in respect thereof) (collectively, the "Stock Issuance") and the assumption of Sterling's and Sterling Bank's outstanding debt, guarantees and other agreements to the extent required by the terms of such debt, guarantees and other agreements (the "Debt Assumption"), and considering such terms and such other factors as the Boards consider pertinent, the Boards have determined that the Merger Agreement, the Bank Merger Agreement, the Mergers and the other transactions contemplated thereby are advisable and in the best interests of Webster, Webster Bank and their respective stockholders;

WHEREAS, at this meeting and prior meetings, the Webster Board has reviewed and discussed with Webster's management and with Webster's advisors the compensation and benefits matters set forth in (or related to) the Merger Agreement, including, without limitation, (a) the Sterling Equity Award Treatment and (b) the proposed terms of the letter agreement with Mr. Jack L. Kopnisky and the retention agreements with each of Mr. John R. Ciulla, Mr. Luis Massiani and Mr. Glenn I. MacInnes, in each case to be entered into by Webster with such executive simultaneous with the execution of the Merger Agreement and to be effective on the Closing Date (the "Executive Agreements" and, together with the Sterling Equity Award Treatment, the "Compensation and Benefits Matters");

WHEREAS, pursuant to the terms of the Merger Agreement, it is proposed that Webster amend its amended and restated certificate of incorporation as currently in effect (the "Certificate") substantially in the form attached hereto as Exhibit A (the "Certificate Amendment"), which Certificate Amendment shall be effective as of immediately prior to, and subject to the occurrence of, the Effective Time, subject to approval by the stockholders of Webster; and

WHEREAS, pursuant to the terms of the Merger Agreement, it is proposed that Webster amend its amended bylaws as currently in effect (the "Bylaws") substantially in the form attached hereto as Exhibit B (the "Bylaw Amendment" and, together with the Certificate Amendment, the "Amendments"), which Bylaw Amendment shall be effective as of, and subject to the occurrence of, the Effective Time.

NOW, THEREFORE, BE IT:

APPROVAL OF THE MERGER AGREEMENT, THE BANK MERGER AGREEMENT, THE MERGERS AND THE STOCK ISSUANCE

RESOLVED, that based upon the presentations made to the Webster Board and upon such other matters as were deemed relevant by the Webster Board, the Webster Board (a) determines that the Merger Agreement and the transactions contemplated thereby (including, without limitation, the Mergers, the Stock Issuance, the Debt Assumption, the Sterling Equity Award Treatment and the Amendments) are advisable and fair to and in the best interests of Webster and its stockholders and declares it advisable to enter into the Merger Agreement, and (b) adopts and approves the Merger Agreement and the other transactions contemplated thereby (including, without limitation, the Mergers, the Stock Issuance, the Debt Assumption, the Sterling Equity Award Treatment and the Amendments) with the foregoing approval to be deemed to constitute, without limitation, the requisite approval of the Webster Board for purposes of the applicable provisions of the Certificate, the Bylaws and the Delaware General Corporation Law (the "DGCL").

FURTHER RESOLVED, that based upon the presentations made to the Webster Bank Board and upon such other matters as were deemed relevant by the Webster Bank Board, the Webster Bank Board (a) determines that the Bank Merger Agreement and the transactions contemplated thereby (including, without limitation, the Bank Merger) are advisable and fair to and in the best interests of Webster Bank and its stockholder and declares it advisable to enter into the Bank Merger Agreement, and (b) adopts and approves the Bank Merger Agreement and the transactions contemplated thereby (including, without limitation, the Bank Merger) with the foregoing approval to be deemed to constitute, without limitation, the requisite approval of the Webster Bank Board for purposes of the applicable provisions of the articles of association of Webster Bank, the bylaws of Webster Bank, and the laws, regulations, and rules of the United States of America (including, without limitation, Chapter 2 of Title 12 of the United States Code and the rules and regulations promulgated thereunder).

FURTHER RESOLVED, that the President and Chief Executive Officer, Chief Financial Officer and General Counsel of Webster and any other officer designated by any of the foregoing (each, along with each of the same officers of Webster Bank, as applicable, an "Authorized Officer"), or any of them acting alone be, and each hereby is, authorized, for and on behalf of Webster, to execute and deliver the Merger Agreement in substantially the form presented to the Webster Board at this meeting with such changes as such Authorized Officer(s) executing the same may approve, the execution and delivery of the Merger Agreement by such Authorized Officer to be deemed conclusive evidence that each of the Webster Board and Webster has adopted and approved the Merger Agreement as executed.

FURTHER RESOLVED, that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized, for and on behalf of Webster Bank, to execute and deliver the Bank Merger Agreement in substantially the form contemplated by the Merger Agreement with such changes as such Authorized Officer(s) executing the same may approve, the execution and delivery of the Bank Merger Agreement by such Authorized Officer to be deemed conclusive evidence that each of the Webster Bank Board and Webster Bank has adopted and approved the Bank Merger Agreement as executed.

FURTHER RESOLVED, that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized to sign, execute and deliver, for and on behalf of Webster, consents evidencing the approval of Webster, as the sole stockholder of Webster Bank, of the Bank Merger and the other transactions contemplated by the Bank Merger Agreement, the execution and delivery of such consent by such Authorized Officer to be deemed conclusive evidence that each of the Webster Board and Webster has authorized such action.

FURTHER RESOLVED, that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized to file, execute, attest, verify, acknowledge and deliver, for and on behalf of Webster and/or Webster Bank, as applicable, any and all articles, notices, certificates, agreements, amendments, instruments and other documents and to perform and do or cause to be performed or done any and all such acts or things and to pay or cause to be paid all necessary consideration, fees and expenses, in each case in the name and on behalf of Webster and/or Webster Bank, as applicable, as they or any of them may deem necessary or advisable to effectuate or carry out the provisions of the Merger Agreement, the Bank Merger Agreement, and the transactions contemplated thereby (including, without limitation, the Mergers, the Stock Issuance, the Debt Assumption, the Compensation and Benefits Matters and the Amendments, and including a customary depositary agreement related to the depositary shares to be issued in connection with the New Webster Preferred Stock and the Stock Issuance) or the intent and purposes of these resolutions in connection with such agreements or the transactions contemplated thereby, the taking of any such action to be deemed conclusive evidence that each of the Boards, Webster and/or Webster Bank, as applicable, has authorized such action.

FURTHER RESOLVED, that the Webster Board hereby classifies 135,000 shares of New Webster Preferred Stock as a new series of 6.50% non-cumulative perpetual preferred stock of Webster, and in connection therewith, hereby constitutes a committee of the Webster Board consisting of the President and Chief Executive Officer of Webster, and that such committee be, and hereby is, authorized and directed, subject to the terms of the Merger Agreement, to determine the preferences, designations, rights and other terms of such New Webster Preferred Stock and to take any other actions in connection therewith that such committee considers necessary or advisable in connection with the issuance of such New Webster Preferred Stock, the determination of any such terms and the taking of any such action to be deemed conclusive evidence that the Webster Board and Webster have approved such terms and authorized such action, with the issuance of such New Webster Preferred Stock to be subject to the occurrence of the Effective Time.

FURTHER RESOLVED, that each of the Authorized Officers shall take any and all actions necessary to reserve for issuance, or cause to be reserved for issuance, such number of shares of Webster Common Stock and of New Webster Preferred Stock as is necessary to effectuate the Stock Issuance (including any shares of Webster Common Stock issuable in respect of Sterling Equity Awards in accordance with the Sterling Equity Award Treatment), which shares, when issued and delivered in accordance with the Merger Agreement, shall be duly authorized and issued, fully paid and nonassessable and free of any stockholder preemptive or similar rights.

FURTHER RESOLVED, that the Webster Board hereby approves and adopts the Merger Agreement and the transactions contemplated thereby, including the Merger, for the express purpose of exempting the execution, delivery and performance of the Merger Agreement and the transactions contemplated thereby, including the Merger, from the operation of Section 203 of the DGCL and any other applicable "moratorium," "control share acquisition," "fair price," "supermajority," "affiliate transactions" or "business combination statute or regulation" or other similar state anti-takeover laws or regulations, or any similar provisions of Webster's Certificate or Bylaws, and hereby takes all action necessary to exempt such agreement and transactions therefrom.

CERTIFICATE AMENDMENT, BYLAW AMENDMENT AND GOVERNANCE MATTERS

FURTHER RESOLVED, that the Webster Board determines that the Certificate Amendment is advisable and in the best interests of Webster and its stockholders and hereby approves the Certificate Amendment, subject to approval by the stockholders of Webster and effective as of immediately prior to, and subject to the occurrence of, the Effective Time.

FURTHER RESOLVED, that the Webster Board determines that the Bylaw Amendment is advisable and in the best interests of Webster and its stockholders and hereby approves the Bylaw Amendment effective as of, and subject to the occurrence of, the Effective Time.

FURTHER RESOLVED, that the Authorized Officers be, and each hereby is, in the name and on behalf of Webster, authorized to take such actions as are necessary or desirable to cause the Amendments to be approved and adopted in accordance with applicable law and the Certificate and Bylaws, including, without limitation, by executing, effecting and filing with the appropriate governmental authorities an amendment to and/or restatement of the Certificate, in order to effect the Certificate Amendment.

FURTHER RESOLVED, that, effective as of, and subject to the occurrence of, the Effective Time, (a) Mr. Jack L. Kopnisky shall serve as the Executive Chairman of the Webster Board and of the Webster Bank Board, (b) Mr. John R. Ciulla shall serve as the President and Chief Executive Officer of Webster and of Webster Bank and as a member of the Webster Board and of the Webster Bank Board, (c) Mr. William L. Atwell (or another independent member of the Webster Board, designated by Webster) shall serve as the Lead Independent Director of the Webster Board and of the Webster Bank Board, (d) Mr. Glenn I. MacInnes shall serve as the Chief Financial Officer of Webster and of Webster Bank, and (e) Mr. Luis Massiani shall serve as the Chief Operating Officer of Webster and of Webster Bank.

FURTHER RESOLVED, that effective as of, and subject to the occurrence of, the Effective Time, the headquarters and main office of Webster and Webster Bank shall be located in Stamford, Connecticut.

SUBMISSION TO STOCKHOLDERS

FURTHER RESOLVED, that the Webster Board directs that the Merger and Certificate Amendment be submitted to a vote of the holders of shares of Webster Common

Stock entitled to vote thereon at a meeting of such stockholders (the "Webster Meeting") along with the Webster Board's recommendation that such stockholders approve the Merger and the Certificate Amendment and any related proposals described in the Joint Proxy Statement, including any advisory (non-binding) vote to approve the compensation that certain executive officers of Webster may receive in connection with the Merger, pursuant to the applicable Executive Agreements, and that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized and directed, in the name and on behalf of Webster, to communicate such recommendation to, and to solicit proxies on behalf of the Webster Board from, such stockholders entitled to vote at the Webster Meeting in favor of such approvals.

FURTHER RESOLVED, that in connection with the Webster Meeting, the Webster Board hereby constitutes a committee of the Webster Board (the "Meeting Committee") consisting of the President and Chief Executive Officer of Webster, and that such Meeting Committee be, and hereby is, authorized and directed, subject to the terms of the Merger Agreement, to fix hereafter the date, time and place (if any) of the Webster Meeting and the record date for determining the stockholders entitled to notice of and to vote at the Webster Meeting (the "Record Date"), to appoint proxies as appropriate and to select the inspector of election for the Webster Meeting, and to take any other actions in connection therewith that such Meeting Committee considers desirable or appropriate, in its discretion, the taking of any such action to be deemed conclusive evidence that the Webster Board and Webster have authorized such action.

FURTHER RESOLVED, that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized and directed, in the name and on behalf of Webster, to mail to the stockholders of record as of the close of business on the Record Date a notice of the Webster Meeting, accompanied by the Joint Proxy Statement and a form of proxy card, and any subsequent soliciting materials as may be necessary or advisable.

FURTHER RESOLVED, that the Webster Bank Board hereby recommends that the Bank Merger Agreement be approved by Webster in its capacity as the sole stockholder of Webster Bank.

REGULATORY FILINGS

FURTHER RESOLVED, that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized and directed, on behalf of and in the name of Webster and/or its subsidiaries (including, without limitation, Webster Bank) to prepare, sign and file, or cause to be filed, with any applicable federal, state, local or foreign country regulatory or supervisory body, and all appropriate state, local, federal or foreign securities, banking, financial, insurance, trade or other regulatory authorities and appropriate stock exchanges, stock markets and self-regulatory organizations, including, without limitation, The New York Stock Exchange (the "NYSE"), the Board of Governors of the Federal Reserve System, and the Office of the Comptroller of the Currency, and all other third parties, all applications, filings, requests for approval, consents, interpretations, or other determinations, notices and other information and documents, and any modifications or supplements thereto, as may be necessary or appropriate in connection with the Merger Agreement, the Bank Merger Agreement and the transactions contemplated thereby (including, without limitation, the Mergers, the Stock Issuance, the Debt

Assumption, the Compensation and Benefits Matters and the Amendments), together with all agreements and other information and documents required or appropriate, and any publications required in connection therewith, the taking of any such action to be deemed conclusive evidence that each of the Boards, Webster and/or Webster Bank, as applicable, has authorized such action.

FURTHER RESOLVED, that, without limiting the foregoing, the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized and directed, in the name and on behalf of Webster and/or its subsidiaries (including, without limitation, Webster Bank), to prepare all documentation, to effect all filings and to obtain all permits, consents, approvals and authorizations of all third parties, including all governmental, regulatory and self-regulatory authorities, necessary to consummate the transactions contemplated by the Merger Agreement and the Bank Merger Agreement (including, without limitation, the Mergers, the Stock Issuance, the Debt Assumption, the Compensation and Benefits Matters and the Amendments) to execute personally or by attorney-in-fact any such required filings or amendments or supplements to any of the foregoing, and to cause any such required filings and any amendments thereto to become effective or otherwise approved, the taking of any such action to be deemed conclusive evidence that each of the Boards, Webster and/or Webster Bank, as applicable, has authorized such action.

LISTING MATTERS

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and directed, in the name and on behalf of Webster, to prepare, execute, and cause to be filed with the NYSE any and all applications, agreements, forms or other papers as may be necessary or advisable with respect to the listing on the NYSE of the shares of Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) to be issued in connection with the Merger and the delisting of the Sterling Common Stock and the Sterling Series A Preferred Stock from the NYSE, such applications, agreements, forms or other papers to be in such form as may be approved by the Authorized Officer executing the same, the execution thereof by such Authorized Officer to be conclusive evidence that each of the Webster Board and Webster has authorized such action.

EMPLOYEE MATTERS AND SECTION 16 EXEMPTION

FURTHER RESOLVED, that based upon the presentations made to the Webster Board and upon such other matters as were deemed relevant by the Webster Board, the Webster Board hereby authorizes and approves the Compensation and Benefits Matters.

FURTHER RESOLVED, that the Authorized Officers or any independent member of the Webster Board be, and each hereby is, authorized, in the name and on behalf of Webster and/or Webster Bank, as applicable, to execute and deliver the Executive Agreements on substantially the terms described to the Boards (notwithstanding any other or conflicting terms that may be contained in any applicable Webster and/or Webster Bank compensation or benefit plan), with such changes as such Authorized Officer(s) or independent member(s) of the Webster Board executing the same may approve, the execution and delivery of the Executive Agreements by such Authorized Officer (or independent director, as applicable) to be deemed conclusive evidence that the applicable Board has adopted and approved the Executive Agreements as executed.

FURTHER RESOLVED, that any acquisitions of Webster Common Stock, New Webster Preferred Stock, Webster equity awards (including any such awards issued pursuant to the Sterling Equity Award Treatment) or other equity securities (including derivative securities) of Webster in each case pursuant to the transactions contemplated by the Merger Agreement and by an individual who is a "director" or "officer" of Sterling or of Sterling Bank subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "Exchange Act"), and, immediately following the Mergers, will be a "director" or "officer" of Webster or of Webster Bank subject to the reporting requirements of Section 16(a) of the Exchange Act, are hereby approved for all purposes of Rule 16b-3 of the Securities and Exchange Commission (the "SEC"), it being the intent of the Webster Board to exempt such acquisitions or deemed acquisitions from any liability under Section 16 of the Exchange Act and to adopt any further specific enabling resolutions required by Rule 16b-3.

JOINT PROXY STATEMENT/PROSPECTUS AND OTHER SECURITIES LAW FILINGS

FURTHER RESOLVED, that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized and directed, on behalf of and in the name of Webster, to prepare, sign and file, or cause to be filed, with the SEC any and all statements, reports or other information concerning the Merger Agreement and the transactions contemplated thereby that may be deemed advisable or may be required under the Exchange Act or the Securities Act of 1933, as amended, and the rules and regulations thereunder (the "Securities Act"), including (a) a joint proxy statement/prospectus relating to the meetings of Webster's and Sterling's stockholders to be held in connection with the Merger Agreement and the transactions contemplated thereby (including any amendments or supplements thereto, the "Joint Proxy Statement") and (b) a registration statement on Form S-4, which shall include such Joint Proxy Statement as a prospectus, and any amendments, including post-effective amendments or supplements, relating to the shares of Webster Common Stock and New Webster Preferred Stock (or depositary shares in respect thereof) issuable in connection with the Merger (the "S-4"), together with any other documents required or appropriate in connection therewith.

FURTHER RESOLVED, that the Authorized Officers be, and each hereby is, authorized in the name and on behalf of Webster, to take all such other actions and to execute all such documents as such Authorized Officer may deem necessary or advisable for compliance with the Securities Act, the Exchange Act or any applicable state securities or similar laws, in connection with the Merger Agreement and the transactions contemplated thereby, including, without limitation, the Mergers, the taking of any such action to be deemed conclusive evidence that each of the Webster Board and Webster has authorized such action.

FURTHER RESOLVED, that the Authorized Officers be, and each hereby is, authorized, in the name and on behalf of Webster, to prepare all documentation and to effect all filings (and requests for no-action letters) as may be necessary or advisable under the various securities laws, regulations and rules of the United States or any state or foreign jurisdiction in connection with the Merger Agreement and the transactions contemplated thereby, to execute personally or by attorney-in-fact such documentation and filings or amendments or supplements to any of the foregoing, and to cause such documentation and filings and any amendments and supplements thereto to become effective or otherwise approved, the taking of any such action to be deemed conclusive evidence that each of the Webster Board and Webster has authorized such action.

POWER OF ATTORNEY

FURTHER RESOLVED, that each officer or director of Webster who may be required to sign the S-4 or any amendment, exhibit or other document related thereto, whether on behalf of Webster, as an officer or director of Webster, or in any other capacity, be, and each hereby is, authorized to execute a power of attorney appointing John R. Ciulla, Glenn I. MacInnes and Harriet Munrett Wolfe, and each of them, severally, and their duly elected or appointed successors in office, as his or her attorney and agent, with full power of substitution and resubstitution, on his or her behalf in any such capacity to sign and file the S-4 and any and all amendments, exhibits and other documents related thereto that any such attorney or substitute may deem necessary or advisable to be filed with the SEC, with full power and authority to perform and do any and all acts and things whatsoever that any such attorney or substitute may deem necessary or advisable to be performed or done in connection with any or all of the matters described in these resolutions, as fully as such officer or director might or could do if personally present and acting and as fully as Webster might or could do by a properly authorized agent.

AGENT FOR SERVICE

FURTHER RESOLVED, that the President and Chief Executive Officer of Webster or such Authorized Officer as he may designate be, and hereby is, appointed as "Agent for Service" of Webster to receive notices, orders, communications and other documents from the SEC in connection with the S-4 and any and all amendments and supplements thereto, with all the powers incident to such appointment.

BLUE SKY PROCEDURES

FURTHER RESOLVED, that the Authorized Officers be, and each hereby is, authorized in the name and on behalf of Webster to take any and all actions that such Authorized Officer may deem necessary or advisable in order to obtain a permit for, or register or qualify, the Webster Common Stock or the New Webster Preferred Stock (or depositary shares in respect thereof) that may be issued in connection with the Merger, for the Stock Issuance or to request an exemption from registration of the Webster Common Stock or the New Webster Preferred Stock (or depositary shares in respect thereof), or to register or obtain a license for Webster as a dealer or broker under the securities laws of such states of the United States of America and of such foreign jurisdictions as such officers or any of them may deem advisable, and in connection with such registrations, permits, licenses, qualifications and exemptions, to execute, acknowledge, verify, deliver, file and publish or cause to be published all such applications, reports, resolutions, surety bonds, consents to service of process, appointments of attorneys to receive service of process, powers of attorney and other papers and instruments and to take any and all further action that they or any of them may deem necessary or advisable in order to maintain such registrations, permits, licenses, qualifications and exemptions in effect for as long as they may deem to be in the best interests of Webster, the execution by any such officer of any such document or the taking of any such action to be deemed conclusive evidence that each of the Webster Board and Webster has authorized such action.

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized in the name and on behalf of Webster to execute and file irrevocable written consents on the part of Webster to be used in such states of the United States of America wherein such consents to service of process may be requisite under the securities laws thereof in connection with said registrations, permits, licenses, qualifications or exemptions, and to appoint the appropriate state official agent of Webster for the purpose of receiving and accepting process.

APPROVAL OF ANCILLARY AGREEMENTS

FURTHER RESOLVED, that the Authorized Officers be, and each hereby is, authorized to approve such ancillary agreements related to the Mergers as are in the judgment of the Authorized Officers necessary or appropriate to effect the Merger and/or the Bank Merger, as applicable, and the Authorized Officers are hereby authorized and directed to execute and deliver any such ancillary agreements in the name of and on behalf of Webster and its subsidiaries (including, without limitation, Webster Bank) as any such Authorized Officer deems necessary or appropriate to effect the Merger and/or the Bank Merger, as applicable, and that Webster and Webster Bank are authorized to pay any and all expenses and fees arising in connection therewith, the execution and delivery of any such ancillary agreements by such Authorized Officer to be deemed conclusive evidence that the same have been authorized and approved by each of the Boards, Webster and/or Webster Bank, as applicable.

APPROVAL OF SUPPLEMENTAL INDENTURES

FURTHER RESOLVED, that the Authorized Officers, or any of them acting alone, be, and each hereby is, authorized, for and on behalf of Webster and/or Webster Bank, as applicable, to execute and deliver such supplemental indentures, guarantees and other instruments as are determined by such Authorized Officer to be necessary or appropriate for the Debt Assumption, the execution and delivery of any such supplemental indentures, guarantees and other instruments by such Authorized Officer to be deemed conclusive evidence that the same have been authorized and approved by each of the Boards, Webster and/or Webster Bank, as applicable.

AGENTS AND ADVISORS

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and directed, in the name and on behalf of Webster, to appoint an exchange agent as contemplated in the Merger Agreement (the "Exchange Agent"), and to execute and deliver such agreements, documents, certificates and instruments as may be reasonably requested by the Exchange Agent in connection with its appointment or in connection with the delivery of the Merger Consideration, the execution thereof by any such Authorized Officer to be deemed conclusive evidence that each of the Webster Board and Webster has authorized such action.

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and directed, in the name and on behalf of Webster and/or its subsidiaries (including, without limitation, Webster Bank), to retain such legal, financial, accounting or other advisors and proxy solicitors with respect to the Merger Agreement, the Bank Merger Agreement and the transactions contemplated thereby, including the Mergers, the Stock Issuance, the Debt Assumption, the Compensation and Benefits Matters and the Amendments, as such Authorized Officers shall deem necessary or advisable, and that Webster is authorized to execute and deliver agreements or other documents with advisors on such terms as such officers deem necessary or appropriate, and that Webster is authorized to pay any and all expenses and fees arising in connection therewith, the execution by any such officer of any such document or the taking of any such action to be deemed conclusive evidence that each of the Webster Board and Webster has authorized such action, and without limiting the foregoing, the retention of each of J.P. Morgan Securities LLC and Piper Sandler & Co., and the execution of engagement letters on substantially the terms described to the Webster Board, be, and hereby is, ratified, confirmed and approved.

ADDITIONAL ACTIONS

FURTHER RESOLVED, that the Boards hereby adopt, as if expressly set forth herein, the form of any resolution required by any authority to be filed in connection with any applications, consents to service or other documents, applications, reports or filings relating to these resolutions if (a) in the opinion of the Authorized Officer(s) executing the same, the adoption of such resolutions is necessary or desirable and (b) the Corporate Secretary or an Assistant Secretary of Webster and/or of Webster Bank, as applicable, evidences such adoption by inserting in the minutes of this meeting copies of such resolutions, which shall thereupon be deemed to be adopted by the Webster Board and/or the Webster Bank Board, as applicable, with the same force and effect as if presented at this meeting.

FURTHER RESOLVED, that the Authorized Officers or any of them acting alone be, and each hereby is, authorized and directed, for and on behalf of Webster, to take or cause to be taken any and all action that they may deem necessary or appropriate to communicate the position of the Webster Board, as set forth in these resolutions, to Webster’s stockholders, including, without limitation, the dissemination of such position by means of press releases and letters to stockholders of Webster, the taking of any such action conclusively to evidence the due authorization and approval thereof by the Webster Board.

FURTHER RESOLVED, that the Authorized Officers or any of them acting alone be, and each of them hereby is, authorized, empowered and directed, for and on behalf of Webster and/or any of its subsidiaries, including Webster Bank, to execute and deliver or cause to be executed and delivered any and all agreements, amendments, certificates, reports, applications, notices, letters, opinions, instruments or other documents and to do or cause to be done any and all such other acts and things as, in the opinion of any such Authorized Officer, may be necessary, appropriate or desirable in order to enable Webster and/or such subsidiary fully and promptly to carry out the purpose and intent of these resolutions and any such action taken or any agreement, amendment, certificate, report, application, notice, letter, opinion, instrument or other document executed and delivered by any of them in connection with any such action shall be conclusive evidence of such Authorized Officer's authority to take, execute and deliver the same.

FURTHER RESOLVED, that all actions heretofore taken by any of the directors, officers, representatives or agents of Webster or any of its subsidiaries, including Webster Bank, in connection with the Merger Agreement, the Bank Merger Agreement and any other transactions contemplated by the Merger Agreement or the Bank Merger Agreement or otherwise referred to in these resolutions be, and each of the same hereby is, ratified, confirmed and approved in all respects as the act and deed of Webster and/or such subsidiary, as applicable.

FURTHER RESOLVED, that any resolutions inconsistent with the foregoing or with any action of any Authorized Officer pursuant to the foregoing are hereby modified or rescinded so as to be consistent herewith and therewith.

Exhibit A

Form of Certificate Amendment

The Fourth Amended and Restated Certificate of Incorporation of Webster Financial Corporation (the "Certificate of Incorporation") shall be amended as follows:

1. The first sentence of Article 4 of the Certificate of Incorporation shall be amended and restated in its entirety to state:

   The total number of shares of all classes of the capital stock which the Corporation has authority to issue is four hundred three million (403,000,000), of which four hundred million (400,000,000) shall be common stock, par value $.01 per share, amounting in the aggregate to four million dollars ($4,000,000), and three million (3,000,000) shall be serial preferred stock, par value $.01 per share, amounting in the aggregate to thirty thousand dollars ($30,000).

Exhibit B

Form of Bylaw Amendment

The Bylaws of Webster Financial Corporation (the "Corporation"), as amended effective March 15, 2020 (the "Bylaws"), having received the requisite approval from the Board of Directors under Article X of the Bylaws, shall be amended as follows, effective as of and subject to the occurrence of the Effective Time (as such term is defined in the Agreement and Plan of Merger, dated as of April 18, 2021, by and between the Corporation and Sterling Bancorp):

A new Article XI shall be added to the Bylaws, as follows:

ARTICLE XI
CERTAIN CORPORATE GOVERNANCE MATTERS

SECTION 1. Executive Chairman; President and CEO. Effective as of the Effective Time (for all purposes of this Article XI, as defined in the Agreement and Plan of Merger, dated as of April 18, 2021, by and between the Corporation and Sterling Bancorp ("Sterling"), as the same may be amended from time to time (the "Merger Agreement")), (a) Mr. Jack L. Kopnisky shall serve as the Executive Chairman of the board of directors of the Corporation (the "Board") and of the board of directors of the Corporation's wholly-owned subsidiary, Webster Bank, National Association (the "Bank") (the "Bank Board") and (b) Mr. John R. Ciulla shall serve as the President and Chief Executive Officer of the Corporation and of the Bank and as a member of the Board and of the Bank Board. Effective as of the twenty-four (24) month anniversary of the Effective Time or any earlier date as of which Mr. Kopnisky ceases for any reason to serve in the position of Executive Chairman of the Board and of the Bank Board (such date, the "Chairman Succession Date"), (i) Mr. Ciulla shall be the successor to Mr. Kopnisky as the Chairman of the Board and of the Bank Board, and shall continue as the President and Chief Executive Officer of the Corporation and of the Bank and (ii) Mr. Kopnisky shall cease to serve as a member of the Board and of the Bank Board and shall serve as a strategic consultant to the Corporation and the Bank until the thirty-six (36) month anniversary of the Effective Time or until such earlier time as of which Mr. Kopnisky ceases for any reason to serve as a consultant (the "Consultant Term"). The Corporation may enter into or amend appropriate agreements or arrangements with the individuals referenced herein in connection with the subject matter of this Article XI, Section 1.

The following actions shall require the affirmative vote of at least 75% of the full Board: (A) prior to the twenty-four (24) month anniversary of the Effective Time, the removal of Mr. Kopnisky from, or the failure to appoint, re-elect or re-nominate Mr. Kopnisky to, as applicable, his position as the Executive Chairman of the Board and of the Bank Board; (B) prior to the Chairman Succession Date, the removal of Mr. Ciulla from, or the failure to appoint, re-elect or re-nominate Mr. Ciulla to, as applicable, his positions as the President and Chief Executive Officer of the Corporation and of the Bank and as a member of the Board and of the Bank Board; (C) from and after the Chairman Succession Date until the Expiration Date, the removal of Mr. Ciulla from, or the failure to appoint, re-elect or re-nominate Mr. Ciulla to, as applicable, his positions as the Chairman of the Board and of the Bank Board and as the President and Chief Executive Officer of the Corporation and of the Bank; and (D) during the Consultant Term, the removal or termination of Mr. Kopnisky as a strategic consultant to the Corporation and the Bank.

SECTION 2. Board Size and Composition. Effective as of the Effective Time, the Board and the Bank Board shall each be comprised of seven (7) Continuing Sterling Directors, including Mr. Kopnisky, and eight (8) Continuing Webster Directors, including Mr. Ciulla. From and after the Effective Time until the Expiration Date: (A) the number of directors that comprises the full Board and the full Bank Board shall each be fifteen (15) and (B) no vacancy on the Board or the Bank Board created by the cessation of service of a director shall be filled by the applicable board and the applicable board shall not nominate any individual to fill such vacancy, unless (x) such individual would be an independent director of the Corporation or the Bank, as applicable (unless such predecessor director was not an independent director), (y) in the case of a vacancy created by the cessation of service of a Continuing Sterling Director, not less than a majority of the Continuing Sterling Directors have approved the appointment or nomination (as applicable) of the individual appointed or nominated (as applicable) to fill such vacancy, and (z) in the case of a vacancy created by the cessation of service of a Continuing Webster Director, not less than a majority of the Continuing Webster Directors have approved the appointment or nomination (as applicable) of the individual appointed or nominated (as applicable) to fill such vacancy; provided that any such appointment or nomination pursuant to clause (y) or (z) shall be made in accordance with applicable law and the rules of the New York Stock Exchange (or other national securities exchange on which the Corporation's securities are listed). For purposes of this Article XI, the terms "Continuing Sterling Directors" and "Continuing Webster Directors" shall mean, respectively, the initial directors of Sterling and the Corporation who were selected to be directors of the Corporation and of the Bank by Sterling or the Corporation, as applicable, as of the Effective Time, pursuant to Section 6.12(a) of the Merger Agreement, and any directors of the Corporation or the Bank (as applicable) who were subsequently appointed or nominated and elected to fill a vacancy created by the cessation of service of any such director (or any successor thereto) pursuant to this Article XI, Section 2.

SECTION 3. Lead Independent Director. Effective as of the Effective Time, Mr. William L. Atwell (or another independent member of the Board, designated by the Corporation prior to the Effective Time) shall serve as the Lead Independent Director of the Board and of the Bank Board. From the Effective Time until the Chairman Succession Date, the Lead Independent Director of the Board and of the Bank Board shall be an independent director chosen from among the Continuing Webster Directors. From and after the Chairman Succession Date until the Expiration Date, the Lead Independent Director of the Board and of the Bank Board shall be an independent director chosen from among the Continuing Sterling Directors.

SECTION 4. Headquarters; Name. Effective as of and from the Effective Time, (i) the headquarters and main office of the Corporation and the Bank will be located in Stamford, Connecticut and (ii) the name of the Corporation will be "Webster Financial Corporation" and the name of the Bank will be "Webster Bank, National Association".

SECTION 5. Amendments; Interpretation. Effective as of the Effective Time until the date of the Corporation's 2024 annual meeting of shareholders (the "Expiration Date"), the provisions of this Article XI may be modified, amended or repealed, and any bylaw provision or other resolution (including any proposed corresponding modification, amendment or repeal of any provision of the Corporation's other constituent documents) inconsistent with this Article XI may be adopted, only by (and any such modification, amendment, repeal or inconsistent bylaw provision or other resolution may be proposed or recommended by the Board for adoption by the shareholders of the Corporation only by) the affirmative vote of at least 75% of the full Board. In the event of any inconsistency between any provision of this Article XI and any other provision of these bylaws or the Corporation's other constituent documents, the provisions of this Article XI shall control to the fullest extent permitted by law.

Public Exhibit 6

Certified Resolutions of the Boards of Sterling Bancorp and Sterling Bank

STERLING BANCORP

SECRETARY'S CERTIFICATE

I, June Ann Byrnes, Corporate Secretary of Sterling Bancorp, a Delaware corporation (the "Company"), hereby certify that attached hereto as Exhibit A is a true, complete and correct copy of the resolutions duly adopted by the Boards of Directors of the Company and Sterling National Bank at a joint meeting of the Boards of Directors on April 18, 2021. Said resolutions have not been amended, modified, supplemented, annulled, revoked or rescinded since their adoption and are in full force and effect since the date hereof.

In witness whereof, I have signed this certificate this 27th day of May 2021.

STERLING BANCORP

June Ann Byrnes

June Ann Byrnes
Corporate Secretary

EXHIBIT A

STERLING BANCORP

JOINT RESOLUTIONS ADOPTED BY THE BOARD OF DIRECTORS OF STERLING BANCORP AND STERLING NATIONAL BANK AT A MEETING HELD ON APRIL 18, 2021

WHEREAS, Sterling Bancorp, a Delaware corporation (the "Company") and Webster Financial Corporation, a Delaware corporation ("Webster") have engaged in periodic, high-level strategic discussions over the last 18 months and executed a non-disclosure agreement on September 13, 2019 to allow for the same;

WHEREAS, in mid-March 2021, the Company and Webster elevated their discussions to more seriously evaluate a proposed strategic business combination between them and correspondingly amended their non-disclosure agreement effective March 22, 2021;

WHEREAS, pursuant to extensive discussions among executives and other personnel of the Company and Webster, it was proposed that the Company and Webster engage in a merger of equals transaction (the "Merger"), whereby each share of the Company's common stock would be exchanged for a fraction of a share of Webster common stock, with such fraction to be determined based on the parties' negotiation as well as the capitalization and current stock price of the parties at the time of entering into the transaction (the "Proposed Transaction");

WHEREAS, the Company has been evaluating, structuring and negotiating the Proposed Transaction and specifically the Company's management team ("Management"), along with certain of its outside advisors, have reviewed Webster's publicly-available information, reviewed the detailed due diligence documentation provided by Webster in the dataroom, and conducted extensive business diligence calls with the Webster team spanning multiple days in order to further assess the Proposed Transaction;

WHEREAS, Management and the Company's outside counsel have reviewed with the Board of Directors of the Company (the "Board") the form of a draft agreement and plan of merger, the definitive form of which (such definitive agreement and plan of merger, the "Merger Agreement") would govern the terms and conditions of the Proposed Transaction (capitalized terms used in these resolutions and not otherwise defined herein shall have the meaning ascribed thereto in the Merger Agreement);

WHEREAS, the current draft of the Merger Agreement that would govern the terms and conditions of the Proposed Transaction is attached hereto as Exhibit A;

WHEREAS, the proposed Merger Agreement contemplates, among other things, (i) the Merger, with Webster as the surviving corporation of the Merger, (ii) immediately following the Merger, the merger of Sterling National Bank (the "Bank") with and into Webster Bank, National Association, a wholly-owned subsidiary of Webster, with Webster Bank as the surviving entity in the Bank Merger, pursuant to the draft bank merger agreement attached hereto as Exhibit B (the "Bank Merger Agreement"), and (iii) subject to the terms and conditions of the Merger Agreement, (A) the exchange of 0.4630 of a share of Webster common stock, par value

$0.01 per share, for each share of the Company's common stock (the "Exchange Ratio") and (B) the exchange of each outstanding share of the Company's Non-Cumulative Perpetual Preferred Stock, Series A, par value $0.01 per share, with a liquidation preference of $1,000 per share (the "Series A Preferred Stock"), into the right to receive one share of a newly created series of preferred stock of Webster having substantially the same terms as the Series A Preferred Stock;

WHEREAS, the Board has received the opinion of Citigroup Global Markets Inc. and Keefe, Bruyette & Woods, Inc., a Stifel Company, the Company's outside financial advisors ("Financial Advisors") that, as of the date hereof, the Exchange Ratio is fair from a financial point of view to the holders of the Company's common stock;

WHEREAS, the Financial Advisors presented to the Board regarding the financial implications of the Proposed Transaction and the fairness to the Company, from a financial perspective, of the Exchange Ratio, and the Board has had the opportunity to discuss and ask questions regarding the same of both Management and the Financial Advisors;

WHEREAS, Squire Patton Boggs (US) LLP, the Company's outside legal counsel ("Outside Counsel"), has presented the material terms of the proposed Merger Agreement to the Board, which has had the opportunity to discuss and ask questions regarding the same of both Management and Outside Counsel;

WHEREAS, the Board reviewed and discussed with Management and the Company's advisors the compensation and benefits matters set forth in the Merger Agreement (and the schedules thereto), including without limitation: (i) the treatment of Sterling Equity Awards and (ii) the standard compensation and benefit continuation following the consummation of the Merger (such matters contemplated by clauses (i) and (ii) collectively, the "Compensation and Benefits Matters");

WHEREAS, it is intended that the Merger shall qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended;

WHEREAS, the Board believes that a combination with Webster would pair the highly complementary strengths of both organizations and create a premier commercial bank serving small and middle market businesses and retail clients in the northeastern United States; and

WHEREAS, the Board has had the opportunity to review and discuss the proposed terms of the Merger Agreement and has determined that the proposed terms of the Merger Agreement, including the proposed Exchange Ratio, are fair to the Company and its stockholders and that the Proposed Transaction, including the other transactions and matters contemplated within the Merger Agreement (including, without limitation, the Bank Merger and the Bank Merger Agreement) is advisable and in the best interests of the Company, its stockholders, the Bank and its other constituencies.

Approval of the Merger Agreement

NOW THEREFORE, BE IT RESOLVED, that based upon the presentations made to the Board and upon such other matters as were deemed relevant by the Board, the Board determines that the Merger Agreement, substantially in the form attached hereto as Exhibit A, and the Proposed Transaction and other matters contemplated thereby (including, without limitation, the Bank Merger and the Bank Merger Agreement attached hereto as Exhibit B) (each of the transactions and other matters referred to in this paragraph and the other transactions contemplated by the Merger Agreement or in connection therewith being collectively referred to herein as the "Transactions"), are advisable, fair to and in the best interests of the Company, its stockholders, the Bank and its other constituencies, and hereby approves and adopts the Merger Agreement and the Transactions, with the foregoing approval to be deemed to constitute, without limitation, the requisite approval of the Board for purposes of the applicable provisions of the Amended and Restated Certificate of Incorporation of the Company, the Amended and Restated Bylaws of the Company, and the Delaware General Corporation Law (the "DGCL");

FURTHER RESOLVED, that based upon the presentations made to the Board and upon such other matters as were deemed relevant by the Board, the Board hereby approves the Compensation and Benefits Matters;

FURTHER RESOLVED, that the Company's Chief Executive Officer, its Chief Financial Officer, its Chief Operating Officer, and any other officer designated by any of them in writing from time to time (each, an "Authorized Officer"), hereby is individually authorized, empowered and directed, in the name and on behalf of the Company, to deliver the Merger Agreement and any other ancillary documents with such changes therein and additions thereto (substantial or otherwise) as may be approved or deemed necessary, appropriate or advisable by the Authorized Officer executing the same on behalf of the Company, the execution thereof by such Authorized Officer to be conclusive evidence of the approval by such Authorized Officer of such changes and additions;

FURTHER RESOLVED, that once the Merger Agreement has been fully executed by both parties, then the Authorized Officers of the Company are authorized to move forward expeditiously to also prepare all ancillary documentation necessary to effect the Transactions;

Regulatory Filings and Third Party Consents

FURTHER RESOLVED, that the Authorized Officers of the Company be, and each of them hereby is, authorized and directed, on behalf of and in the name of the Company and/or its subsidiaries, to prepare, sign and file, or cause to be filed, with any applicable regulatory or supervisory body, including without limitation, the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Securities and Exchange Commission (the "SEC"), the Department of Justice, the New York State Department of Financial Services, the New York Stock Exchange (the "NYSE"), and any and all other appropriate state, federal or foreign banking, insurance, consumer lending, securities authority and appropriate stock exchanges, stock markets and self-regulatory organizations, all applications, requests for approval, consents, interpretations, or other determinations, notices and other information and documents, and any modifications or supplements thereto, as may be necessary or appropriate in connection with the Transactions, including without limitation, the Merger, the Merger Agreement, the Bank Merger, the Bank

Merger Agreement and any other transactions contemplated thereby, together with all agreements and other information and documents required or appropriate, and any publications required in connection therewith, with the taking of any such action to be deemed conclusive evidence that the Board, the Company and the Bank have authorized such action;

FURTHER RESOLVED, that without limiting the foregoing, the Authorized Officers be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company and Bank, to prepare all documentation, to effect all filings and to obtain all permits, consents, approvals and authorizations of all third parties, regulatory authorities and other governmental authorities necessary in connection with the Transactions and to consummate the Merger and the Bank Merger, to execute personally or by attorney-in-fact any such required filings and any amendments or supplements to any of the foregoing, and to cause any such required filings and any amendments thereto to become effective or otherwise approved; provided, the taking of any such action to be deemed conclusive evidence that the Company and the Bank have authorized such action;

Joint Proxy Statement; Other Securities Filings

FURTHER RESOLVED, that the Authorized Officers of the Company be, and each of them individually hereby is, authorized and directed for, on behalf of and in the name of the Company to prepare, sign and file, or cause to be filed, with the SEC any and all statements, reports or other information concerning the Merger Agreement and the Transactions that may be required or advisable, including under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act"), or the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act"), including without limitation, a proxy statement/prospectus for delivery to stockholders of the Company in connection with the Transactions and the required vote of the stockholders of the Company relating to the Merger Agreement and the Transactions (the "Proxy Statement / Prospectus"), and any appropriate amendments thereto;

FURTHER RESOLVED, that the Authorized Officers of the Company be, and each of them individually hereby is, authorized and directed for, on behalf of and in the name of the Company, to take all such other actions and to execute all such documents as such officer may deem necessary or appropriate for compliance with the Securities Act, the Exchange Act or any applicable state, "blue-sky" or similar securities laws, regulations and rules in connection with the Transactions and the Merger Agreement, the taking of such action to be deemed conclusive evidence that the Board and the Company have authorized such action;

Submission to Stockholders

FURTHER RESOLVED, that the Chairman of the Board, or in his absence, the Secretary of the Company or any Authorized Officer of the Company, is authorized to cause the Merger Agreement and the Transactions, including the Merger, to be submitted for adoption and approval by the stockholders of the Company at a meeting of such stockholders in accordance with the DGCL, at such date, time and place, and with such record date for determining stockholders entitled to notice of and to vote at such meeting (the "Record Date") as the Board or the Transaction Committee (as defined below) may from time to time designate (the "Company Stockholders Meeting"), and to take any action in connection therewith that the Chairman of the Board, or in his absence, the Secretary of the Company or any Authorized Officer, considers desirable or appropriate, in his or her discretion;

FURTHER RESOLVED, that in accordance with the Bylaws of the Company and applicable law, a committee of the Board consisting of Richard O'Toole (Chair), John Cahill, Maureen Mitchell and Burt Steinberg (the "Transaction Committee") be and is hereby established, with full authority, in the name and on behalf of the Company, to establish the date, time, and place of the Company Stockholders Meeting, to fix the Record Date for the Company Stockholders Meeting (and any adjournment or postponement thereof) and appoint proxies as appropriate, to select the inspector of election for the Company Stockholders Meeting, to make any decision on postponing and/or rescheduling the Company Stockholders Meeting, and to take any other action in connection with the Company Stockholders Meeting that the Transaction Committee considers desirable or appropriate, in its discretion; the taking of such action to be deemed conclusive evidence that the Board and the Company have authorized such action;

FURTHER RESOLVED, that the Board hereby directs that the Merger Agreement and the Transactions, including the Merger, and any proposal relating to the adjournment of the Company Stockholders Meeting that is included in the Proxy Statement/Prospectus, be adopted or approved, as applicable, by the stockholders of the Company and that the Authorized Officers of the Company be, and each of them hereby is, authorized and directed, for and on behalf of the Company, to communicate such recommendation to, and to solicit proxies on behalf of the Board from, the holders of the Sterling Common Stock entitled to vote at the aforementioned meeting with respect thereto;

FURTHER RESOLVED, that the Board hereby recommends that the compensation that certain executive officers of the Company may receive in connection with the Merger, pursuant to existing or new agreements or arrangements with the Company, be approved on an advisory (non-binding) basis, by the stockholders of the Company and that the Authorized Officers of the Company be, and each of them hereby is, authorized and directed, for and on behalf of the Company, to communicate such recommendation to, and to solicit proxies on behalf of the Board from, the holders of the Sterling Common Stock entitled to vote at the aforementioned meeting with respect thereto;

FURTHER RESOLVED, that the Authorized Officers of the Company be, and each of them hereby is, authorized and directed, for and on behalf of the Company, to mail to the stockholders of record as of the close of business on the Record Date, a notice of meeting accompanied by the Proxy Statement/Prospectus and a form of proxy;

Agents

FURTHER RESOLVED, that the Authorized Officers of the Company be, and each of them individually hereby is, authorized to appoint an information agent, proxy solicitor or any other necessary agent or advisor (each, an "Agent") in connection with the Merger Agreement and the Transactions and that such Authorized Officers of the Company or any of them acting alone be, and each of them hereby is, authorized, in the name and on behalf of the Company, to execute and deliver such agreements, documents, certificates and instruments as may be reasonably requested by each Agent in connection with its appointment or in connection with the Merger Agreement and the Transactions;

Takeover Statutes

FURTHER RESOLVED, that the Board hereby approves the Merger Agreement and the Transactions (including the Merger) for the express purpose of exempting the execution, delivery or performance of the Merger Agreement and the Transactions (including the Merger) from the operation of Section 203 of the DGCL, and any other applicable takeover statutes and applicable anti-takeover provisions of the Company's Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws, subject to compliance with the terms of the Merger Agreement by Webster;

Section 16(b) Exemption

FURTHER RESOLVED, that any dispositions or deemed dispositions of Sterling Common Stock, Sterling Equity Awards or other equity securities (including derivative securities) of the Company, in connection with any of the Transactions, by any individual who prior to the Effective Time of the Merger was a director or officer of the Company (including any affiliates of any such directors to the extent that such affiliates might be deemed directors by deputization), are hereby approved for all purposes of Rule 16b-3 ("Rule 16b-3") promulgated under the Exchange Act, it being the intent of the Board to exempt any such dispositions, and deemed dispositions, from any and all liability under Section 16(b) of the Exchange Act pursuant to Rule 16b-3, with the specific holdings of the Company's directors and officers to be further approved by either the Board or the Transaction Committee pursuant to Rule 16b-3;

Omnibus Resolutions

FURTHER RESOLVED, that the Authorized Officers of the Company be, and each of them individually hereby is, authorized, empowered and directed, in the name and on behalf of the Company, to do any and all acts and things including prepare, negotiate, file, execute, verify, acknowledge and deliver any and all instruments, documents and papers, to perform or do any and all such acts or things as such Authorized Officers may deem advisable, and incur and pay all such fees and expenses related thereto, and to engage such persons as the Authorized Officers shall deem necessary, appropriate, advisable, convenient or proper to carry out fully the intent and purposes of the foregoing resolutions; provided, that the performance of any such act or thing and the execution of any such instrument, document or paper by such Authorized Officer pursuant to these resolutions shall be conclusive evidence that the same have been authorized and approved by the Company in every respect;

FURTHER RESOLVED, that the Company shall be authorized to perform fully its obligations under the Merger Agreement and any such other agreements or amendments and to engage without limitation in such other transactions, arrangements or activities (collectively, the "Activities") as are reasonably related or incident to or which will serve to facilitate the

Transactions, including without limitation, any modification, extension or expansion (collectively, the "Changes") of any of the Activities or of any other transactions, arrangements or activities resulting from any of the Changes and to enter into such other agreements or understandings as are necessary, appropriate or desirable to effectuate the intent of, or matters reasonably contemplated or implied by, this resolution and each of the foregoing resolutions;

FURTHER RESOLVED, that the Board hereby adopts and incorporates by reference any form of specific resolution that in the opinion of any Authorized Officer of the Company is necessary or advisable to carry into effect the purpose and intent of the foregoing resolutions, or covering authority included in matters authorized in the foregoing resolutions, including forms of resolutions in connection therewith that may be required by the SEC, NYSE, any governmental entity, state, institution, person, agency or otherwise, and any trustee or other party to any indenture, trust or similar agreements of the Company or Webster and their respective subsidiaries, and the Secretary of the Company hereby is directed to insert a copy thereof in the minute book of the Company and to certify the same as having been duly adopted thereby, which will thereupon be deemed to be adopted by the Board with the same force and effect as if presented at this meeting;

FURTHER RESOLVED, that all acts and things heretofore done or caused to be done by the Authorized Officers of the Company, as any one or more of them has deemed necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions, be, and the same hereby are, ratified and approved;

FURTHER RESOLVED, that the Secretary of the Company be, and hereby is, authorized and directed to certify as having been adopted by the Board and any additional resolutions necessary, advisable or appropriate to effectuate or carry out the purpose and intent of the foregoing resolutions (as conclusively presumed from such certification), and all such resolutions shall be made a part of the records of the Company; and

FURTHER RESOLVED, that any resolutions inconsistent with the foregoing or with any action of any Authorized Officer pursuant to the foregoing are hereby modified or rescinded so as to be consistent herewith and therewith.

The undersigned, being a duly authorized and elected General Counsel of Sterling Bancorp and Sterling National Bank hereby certifies that the foregoing resolutions were validly adopted by the Joint Boards of Directors of Sterling Bancorp and Sterling National Bank on April 18, 2021 and that such resolutions have not been amended or revoked.

____
James P. Blose, Esq.
April 18, 2021

Public Exhibit 7

Form 8-K Report Filed by WFC with the SEC Announcing the Proposed Transaction

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported): April 19, 2021

WEBSTER FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	001-31486	06-1187536
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

145 Bank Street, Waterbury, Connecticut 06702
(Address and zip code of principal executive offices)

203-578-2202
(Registrant’s telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of Exchange on which registered
Common Stock, $0.01 par value	WBS	New York Stock Exchange
Depositary Shares, each representing 1/1000th interest in a share of 5.25% Series F Non-Cumulative Perpetual Preferred Stock	WBS-F	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events.

On April 19, 2021, Webster Financial Corporation ("Webster") and Sterling Bancorp ("Sterling") issued a joint press release announcing the execution of the Agreement and Plan of Merger, dated as of April 18, 2021, by and between Webster and Sterling pursuant to which, upon the terms and subject to the conditions set forth therein, Sterling will merge with and into Webster, with Webster continuing as the surviving entity. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

In addition, Webster and Sterling provided supplemental information regarding the proposed transaction in connection with presentations to analysts and investors. A copy of the investor presentation is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
Exhibit 99.1	Joint Press Release of Webster Financial Corporation and Sterling Bancorp, dated April 19, 2021
Exhibit 99.2	Investor Presentation of Webster Financial Corporation and Sterling Bancorp, dated April 19, 2021
Exhibit 104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This communication may contain certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements about the benefits of the proposed transaction, the plans, objectives, expectations and intentions of Webster and Sterling, the expected timing of completion of the transaction, and other statements that are not historical facts. Such statements are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business, results of operations, and financial condition; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and credit markets; movements in interest rates; reform of LIBOR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the merger agreement between Webster and Sterling; the outcome of any legal proceedings that may be instituted against Webster or Sterling; delays in completing the transaction; the failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transaction); the failure to obtain stockholder approvals or to satisfy any of the other conditions to the transaction on a timely basis or at all; the possibility that the anticipated benefits of the transaction are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where Webster and Sterling do business; the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management's attention from ongoing business operations and opportunities; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the transaction; the ability to complete the transaction and integration of Webster and Sterling successfully; the dilution caused by Webster's issuance of additional shares of its capital stock in connection with the transaction; and other factors that may affect the future results of Webster and Sterling. Additional factors that could cause results to differ materially from those described above can be found in Webster's Annual Report on Form 10-K for the year ended December31, 2020, which is on file with the Securities and Exchange Commission (the "SEC") and available on Webster's investor relations website, https://webster.gcs-web.com/, under the heading "Financials" and in other documents Webster files with the SEC, and in Sterling's Annual Report on Form 10-K for the year ended December31, 2020, which is on file with the SEC and available on Sterling's investor relations website, https://sterlingbank.gcs-web.com/investor-relations, under the heading "Financials" and in other documents Sterling files with the SEC.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. Neither Webster nor Sterling assumes any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

IMPORTANT ADDITIONAL INFORMATION

In connection with the proposed transaction, Webster will file with the SEC a Registration Statement on Form S-4 that will include a Joint Proxy Statement of Webster and Sterling and a Prospectus of Webster, as well as other relevant documents concerning the proposed transaction. The proposed transaction involving Webster and Sterling will be submitted to Sterling's stockholders and Webster's stockholders for their consideration. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. INVESTORS AND STOCKHOLDERS OF WEBSTER AND STOCKHOLDERS OF STERLING ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE TRANSACTION WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Stockholders will be able to obtain a free copy of the definitive joint proxy statement/prospectus, as well as other filings containing information about Webster and Sterling, without charge, at the SEC's website (http://www.sec.gov). Copies of the joint proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the joint proxy statement/prospectus can also be obtained, without charge, by directing a request to Kristen Manginelli, Director of Investor Relations, Webster Financial Corporation, 145 Bank Street, Waterbury, Connecticut 06702, (203) 578-2202 or to Emlen Harmon, Managing Director, Investor Relations, Sterling Bancorp, Two Blue Hill Plaza, Second Floor, Pearl River, New York 10965, (845) 369-8040.

PARTICIPANTS IN THE SOLICITATION

Webster, Sterling, and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Webster and Sterling in connection with the proposed transaction under the rules of the SEC. Information regarding Webster's directors and executive officers is available in its definitive proxy statement relating to its 2021 Annual Meeting of Stockholders, which was filed with the SEC on March 19, 2021, and other documents filed by Webster with the SEC. Information regarding Sterling's directors and executive officers is available in its definitive proxy statement relating to its 2021 Annual Meeting of Stockholders, which was filed with the SEC on April 14, 2021, and other documents filed by Sterling with the SEC. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials filed with the SEC. Free copies of this document may be obtained as described in the preceding paragraph.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WEBSTER FINANCIAL CORPORATION

Date: April 19, 2021

By: /s/ Harriet Munrett Wolfe
Harriet Munrett Wolfe
Executive Vice President
General Counsel and Secretary

Exhibit 99.1

Webster + Sterling
Creating Scale, Unlocking Growth and Value

- Uniting strong banks with complementary strategies to create a powerhouse Northeast player with $63 billion in assets and $52 billion in deposits

- Unlocking compelling revenue growth opportunities in commercial lending, health savings, fee-based businesses and consumer and digital banking

- Delivering exceptional financial performance and accretion: 17% pro forma ROATCE, 1.40% pro forma ROAA, >20% GAAP EPS accretion to Webster, >10% GAAP EPS accretion to Sterling, and $440M in annual pro forma excess capital generation

- Maintaining shared values and commitments to customers, communities, shareholders and employees

WATERBURY, CT and PEARL RIVER, NY – April 19, 2021 – Webster Financial Corporation (NYSE: WBS) ("Webster") and Sterling Bancorp (NYSE: STL) ("Sterling") jointly announced today that their boards of directors have approved by unanimous vote a definitive agreement under which the two companies will combine in an all-stock merger of equals transaction with a total market value of approximately $10.3 billion.

Under the terms of the agreement, Sterling will merge into Webster, and Sterling's shareholders will receive a fixed exchange ratio of 0.463 of a Webster share for each share of Sterling stock they own. Following the closing of the transaction, Webster shareholders will own approximately 50.4% of the combined company, and Sterling shareholders will own approximately 49.6%, on a fully diluted basis.

The combined company will retain the Webster name, establish a new corporate headquarters in Stamford, CT, and have a continued multi-campus presence in the greater New York City area and Waterbury, CT.

The pro forma company will be a powerhouse player in the Northeast with highly differentiated businesses in commercial banking, health savings and consumer and digital banking. Enhanced scale will unlock growth and value across each of these business lines.

- Commercial banking unlocks a diversified, multi-billion dollar opportunity to grow regional and national C&I, commercial real estate and Sponsor & Specialty loans through expanding existing relationships and new clients.

- HSA Bank, a division of Webster Bank and a top national provider of health savings accounts nationally, will benefit from increased capacity for growth and investment.

- Consumer, small business and direct banking will benefit from local density and increased investment in digital capabilities.

"We are excited to combine the best of both companies to create an industry leader," said Jack L. Kopnisky, President & CEO of Sterling. "Webster and Sterling have much in common: distinguished client service, diversity of revenue, funding sources and assets, and disciplined capital allocation. The increased capabilities and scale of our two organizations are attractive propositions for our clients, communities, shareholders and colleagues."

"We are bringing together two high-performing organizations with strong cultural and business model alignment to create a powerhouse Northeast bank," said John R. Ciulla, Chairman, President & CEO of Webster. "This combination provides exceptional financial benefits and enables us to more aggressively invest in key businesses and activities to enhance value for our customers, our communities, our shareholders and our bankers."

Strategic Benefits of the Proposed Merger

- Powerhouse Northeast Bank: Combined $63 billion in assets, $52 billion in deposits, and $42 billion in loans provides scale to deliver best-in-class financial performance and drive value for all stakeholders.

- Highly Differentiated Businesses: Webster and Sterling have complementary businesses and strong franchises in commercial, health savings and consumer and digital banking. Relationship- and expertise-based commercial banking and a local presence are enhanced by national reach in both lending and deposit gathering, resulting in sustainable high performance and competitive advantages.

- Significant Loan Growth Potential: The combined company's Northeast footprint is the most densely populated in the nation. Through diversification and scale, commercial banking will unlock opportunities to grow relationships with existing clients and enhance operating leverage, particularly in commercial lending. Webster and Sterling's niche national lending platforms contribute further growth, risk-adjusted returns and diversification.

- Best-in-Class Deposit Franchise: Together, Webster and Sterling are strongly positioned with a low-cost, long-duration deposit base. The pro forma company will have 200+ financial centers in the Northeast market. In addition, it will benefit from the ability to more aggressively grow and invest in HSA Bank, a top health savings platform nationally with 12% market share and strong growth characteristics.

Financial Benefits of the Proposed Merger

- Exceptional Profitability: The combined company is projected to generate a ROAA of 1.40% and ROATCE of 17% – among the strongest return profiles nationally.

- Enhanced Revenue Growth Potential: Scale and diversification unlock compelling revenue growth opportunities by expanding selected commercial lending portfolios, aggressively growing HSA Bank, and enhancing digital banking offerings.

- Strong GAAP EPS Accretion to Both Companies' Shareholders: >20% to Webster, >10% to Sterling, after realizing $120 million of projected cost savings.

- Significant Excess Capital Generation: The combined company is projected to generate $440 million per year, or ~$2.50 per share, of excess capital after organic growth and dividends, available for both capital investments and share repurchases.

Governance and Leadership

Reflecting the equal contribution both partners bring to the combined company, the board and executive management team will draw from both sides:

- Jack L. Kopnisky, President & CEO of Sterling, will serve as Executive Chairman of the combined company for 24 months after closing, and will continue in a consulting capacity for an additional 12 months thereafter.

- John R. Ciulla, Chairman, President & CEO of Webster, will serve as President & CEO of the combined company until 24 months after closing, at which time he will become Chairman, President & CEO.

- The combined company's executive management team will be comprised of executives from both companies, including Luis Massiani as Chief Operating Officer and Glenn I. MacInnes as Chief Financial Officer.

- The board of directors of the combined company will have 15 directors, consisting of eight directors from Webster and seven directors from Sterling, including Jack L. Kopnisky and John R. Ciulla.

- William L. Atwell, current lead independent director of Webster, will serve as lead independent director for 24 months after closing, after which the Lead Independent Director will be a legacy Sterling director.

Timing and Approvals

The merger is expected to close in the fourth quarter of 2021, subject to satisfaction of customary closing conditions, including receipt of required regulatory approvals and approval by the shareholders of each company.

Advisors

J.P. Morgan Securities, LLC acted as lead financial advisor to Webster and rendered a fairness opinion to its board of directors. Piper Sandler & Co. also rendered a fairness opinion to Webster's board. Wachtell, Lipton, Rosen & Katz is serving as legal counsel to Webster.

Citigroup Global Markets Inc. acted as lead financial advisor to Sterling and rendered a fairness opinion to its board of directors. Keefe, Bruyette & Woods, Inc. also rendered a fairness opinion to Sterling's board. Squire Patton Boggs (US) LLP is serving as legal counsel to Sterling.

Joint Conference Call and Webcast Details

Webster and Sterling will conduct a live conference call to discuss the transaction at 8:30 am Eastern Time today. To listen to the live call, please dial 877-407-8289 or 201-689-8341, for international callers. The webcast, along with related slides, will be available on the Webster website (www.wbst.com) and slides will be available on the Sterling website (www.sterlingbancorp.com). A replay of the conference call will be available for one week via the websites listed above, beginning at approximately 11:00 a.m. (Eastern) on April 19, 2021. To access the replay, dial 877-660-6853 or 201-612-7415, for international callers. The replay conference ID number is 13718870.

As a result of today's merger announcement, both companies have cancelled their previously scheduled 2021 first quarter earnings conference calls.

About Webster Financial Corporation

Webster Financial Corporation is the holding company for Webster Bank, National Association and its HSA Bank division. With $33.3 billion in assets, Webster provides business and consumer banking, mortgage, financial planning, trust, and investment services through 148 banking centers and 280 ATMs. Webster also provides mobile and online banking. Webster Bank owns the asset-based lending firm Webster Business Credit Corporation; the equipment finance firm Webster Capital Finance Corporation; and HSA Bank, a division of Webster Bank, which provides health savings account trustee and administrative services. Webster Bank is a member of the FDIC and an equal housing lender. For more information about Webster, including past press releases and the latest annual report, visit the Webster website at www.websterbank.com.

About Sterling Bancorp

Sterling Bancorp, whose principal subsidiary is Sterling National Bank, specializes in the delivery of services and solutions to business owners, their families and consumers within the communities it serves through teams of dedicated and experienced relationship managers. Sterling National Bank offers a complete line of commercial, business, and consumer banking products and services. For more information, visit the Sterling Bancorp website at www.sterlingbancorp.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This communication may contain certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements about the benefits of the proposed transaction, the plans, objectives, expectations and intentions of Webster and Sterling, the expected timing of completion of the transaction, and other statements that are not historical facts. Such statements are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business, results of operations, and financial condition; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and credit markets; movements in interest rates; reform of LIBOR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the merger agreement between Webster and Sterling; the outcome of any legal proceedings that may be instituted against Webster or Sterling; delays in completing the transaction; the failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transaction); the failure to obtain stockholder approvals or to satisfy any of the other conditions to the transaction on a timely basis or at all; the possibility that the anticipated benefits of the transaction are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where Webster and Sterling do business; the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management's attention from ongoing business operations and opportunities; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the transaction; the ability to complete the transaction and integration of Webster and Sterling successfully; the dilution caused by Webster's issuance of additional shares of its capital stock in connection with the transaction; and other factors that may affect the future results of Webster and Sterling. Additional factors that could cause results to differ materially from those described above can be found in Webster's Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the Securities and Exchange Commission (the "SEC") and available on Webster's investor relations website, https://webster.gcs-web.com/, under the heading "Financials" and in other documents Webster files with the SEC, and in Sterling's Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the SEC and available on Sterling's investor relations website, https://sterlingbank.gcs-web.com/investor-relations, under the heading "Financials" and in other documents Sterling files with the SEC.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. Neither Webster nor Sterling assumes any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

IMPORTANT ADDITIONAL INFORMATION

In connection with the proposed transaction, Webster will file with the SEC a Registration Statement on Form S-4 that will include a Joint Proxy Statement of Webster and Sterling and a Prospectus of Webster, as well as other relevant documents concerning the proposed transaction. The proposed transaction involving Webster and Sterling will be submitted to Sterling's stockholders and Webster's stockholders for their consideration. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. INVESTORS AND STOCKHOLDERS OF WEBSTER AND STOCKHOLDERS OF STERLING ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE TRANSACTION WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Stockholders will be able to obtain a free copy of the definitive joint proxy statement/prospectus, as well as other filings containing information about Webster and Sterling, without charge, at the SEC's website (http://www.sec.gov). Copies of the joint proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the joint proxy statement/prospectus can also be obtained, without charge, by directing a request to Kristen Manginelli, Director of Investor Relations, Webster Financial Corporation, 145 Bank Street, Waterbury, Connecticut 06702, (203) 578-2202 or to Emlen Harmon, Managing Director, Investor Relations, Sterling Bancorp, Two Blue Hill Plaza, Second Floor, Pearl River, New York 10965, (845) 369-8040.

PARTICIPANTS IN THE SOLICITATION

Webster, Sterling, and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Webster and Sterling in connection with the proposed transaction under the rules of the SEC. Information regarding Webster's directors and executive officers is available in its definitive proxy statement relating to its 2021 Annual Meeting of Stockholders, which was filed with the SEC on March 19, 2021, and other documents filed by Webster with the SEC. Information regarding Sterling's directors and executive officers is available in its definitive proxy statement relating to its 2021 Annual Meeting of Stockholders, which was filed with the SEC on April 14, 2021, and other documents filed by Sterling with the SEC. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials filed with the SEC. Free copies of this document may be obtained as described in the preceding paragraph.

Media Contact:
Alice Ferreira
203.610.1521
acferreira@websterbank.com

Investor Contact:
Kristen Manginelli
203.578.2307
Kmanginelli@websterbank.com

Exhibit 99.2

Webster + Sterling

Creating Scale, Unlocking Growth and Value

April 19, 2021

Disclaimer

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This communication may contain certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements about the benefits of the proposed transaction, the plans, objectives, expectations and intentions of Webster and Sterling, the expected timing of completion of the transaction, and other statements that are not historical facts. Such statements are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business, results of operations, and financial condition; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and credit markets; movements in interest rates; reform of LIBOR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the merger agreement between Webster and Sterling; the outcome of any legal proceedings that may be instituted against Webster or Sterling; delays in completing the transaction; the failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transaction); the failure to obtain stockholder approvals or to satisfy any of the other conditions to the transaction on a timely basis or at all; the possibility that the anticipated benefits of the transaction are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where Webster and Sterling do business; the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management's attention from ongoing business operations and opportunities; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the transaction; the ability to complete the transaction and integration of Webster and Sterling successfully; the dilution caused by Webster's issuance of additional shares of its capital stock in connection with the transaction; and other factors that may affect the future results of Webster and Sterling. Additional factors that could cause results to differ materially from those described above can be found in Webster's Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the Securities and Exchange Commission (the "SEC") and available on Webster's investor relations website, https://webster.gcs-web.com/, under the heading "Financials" and in other documents Webster files with the SEC, and in Sterling's Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the SEC and available on Sterling's investor relations website, https://sterlingbank.gcs-web.com/investor-relations, under the heading "Financials" and in other documents Sterling files with the SEC.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. Neither Webster nor Sterling assumes any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

IMPORTANT ADDITIONAL INFORMATION

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Non-GAAP Financial Measures

In addition to results presented in accordance with GAAP, this presentation contains certain non-GAAP financial measures. A reconciliation of tangible book value and other ratios, as adjusted, is included on page 27.

We believe that providing certain non-GAAP financial measures provides investors with information useful in understanding our financial performance, our performance trends and financial position. We utilize these measures for internal planning and forecasting purposes. We, as well as securities analysts, investors, and other interested parties, also use these measures to compare peer company operating performance. We believe that our presentation and discussion, together with the accompanying reconciliations, provides a complete understanding of factors and trends affecting our business and allows investors to view performance in a manner similar to management. These non-GAAP measures should not be considered a substitute for GAAP basis measures and results, and we strongly encourage investors to review our consolidated financial statements in their entirety and not to rely on any single financial measure. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names.

PRESENTERS

Webster Financial Corporation	STERLING BANCORP
John R. Ciulla Chairman, President & CEO	**Jack L. Kopnisky** President & CEO
Glenn I. MacInnes CFO	**Luis Massiani** COO

Creating Scale, Unlocking Growth and Value

Scale

- Uniting strong banks with complementary strategies to create a powerhouse Northeast player with national reach

Growth

- Unlocking compelling revenue growth opportunities in commercial lending, health savings, fee-based businesses, and consumer and digital banking

Performance

- Delivering peer-leading 17% ROATCE[1]
- >20% EPS accretion to WBS, >10% to STL[2]
- $440M annual excess capital generation[3]

Culture

- Maintaining our shared values, strong risk management and responsible corporate citizenship

[1] Pro forma metric based on 2022 median analyst consensus estimates as of April 16, 2021, assuming $120M of pre-tax cost savings are fully phased in and including other GAAP earnings adjustments
[2] Run-rate GAAP EPS accretion, assuming $120M of pre-tax cost savings are fully phased in and including other GAAP earnings adjustments; See page 25 for detail regarding calculation of run-rate GAAP EPS accretion
[3] Represents CET1 capital created after common dividends and capital required for expected risk-weighted asset growth; See page 17 for calculation of excess capital generation

Powerhouse Northeast Bank

ASSETS

$63B

DEPOSITS

$52B

LOANS

$42B

COMMERCIAL
loans / total loans[1]

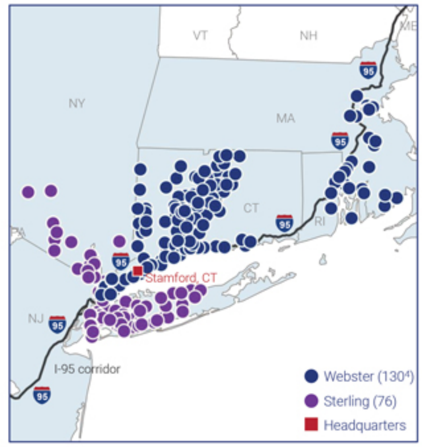
80%

FLOATING RATE
loans / total loans[2]

63%

ROATCE[3]
run-rate after realizing cost synergies

17%



Note: Financial data as of March 31, 2021; Pro forma balance sheet metrics exclude impact of purchase accounting
[1] Excludes PPP loans
[2] Includes floating rate and periodically resetting loans as a percentage of total loans, excluding PPP
[3] Pro forma metric based on 2022 median analyst consensus estimates as of April 16, 2021, assuming $120M of pre-tax cost savings are fully phased in and including other GAAP earnings adjustments
[4] Represents 2Q21 forecast after previously announced banking center closures are complete

Highly Differentiated Businesses

	Combined Platform	Growth and Value Unlocked
Relationship- and **Expertise-**Based Commercial Banking	• Preferred banking partner to sophisticated companies and sponsors in targeted segments • Bankers, organized as teams, have deep relationships and expertise	• Grow relationships with existing clients • Retain relationships as companies grow • Cross-sell capital markets capabilities • Enhance talent and product set
High-Growth HSA Bank	• Top health savings account provider with 3 million customers nationally • Grew accounts at an 11% compound annual rate over the past five years[1]	• Significantly increased capacity for growth and investment
Local Presence with **Digital** Capabilities	• Regional leader serving consumers and small businesses in CT, MA, NY and RI • Growing scalable direct and digital banking businesses	• Invest in and deploy innovative digital banking capabilities to meet evolving customer expectations

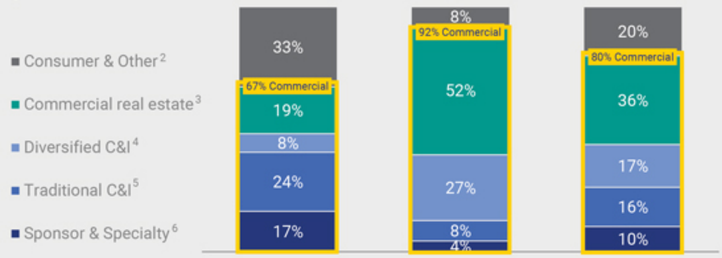
[1] HSA Bank annualized account growth between 2015 and 2020

Significant Loan Growth Potential

- Northeast corridor footprint is the largest in the nation by population
- The combined company unlocks a diversified, multi-billion dollar opportunity to grow regional and national C&I, CRE and Sponsor & Specialty loans through expanding existing relationships and new clients
- National reach further enhances growth, risk-adjusted returns and diversification

DIVERSIFICATION UNLOCKS GROWTH

gross loans, % of total[1]



	Webster	Sterling	Together
Gross loans[1]	$20B	$21B	$41B
ACL / Gross loans[1]	1.64%	1.54%	1.59%

Note: Financial data as of March 31, 2021; Sterling standalone gross loans include existing purchase accounting adjustments; Pro forma balance sheet metrics exclude impact of pro forma purchase accounting

[1] Excludes PPP loans

[2] Consumer & other includes residential mortgage, home equity, other consumer and other loans

[3] Commercial real estate includes commercial real estate, multifamily and construction loans; Webster commercial real estate based on its Investor Commercial Real Estate business

[4] Diversified C&I includes ABL, factored receivables, equipment finance, mortgage warehouse, payroll finance and public sector finance

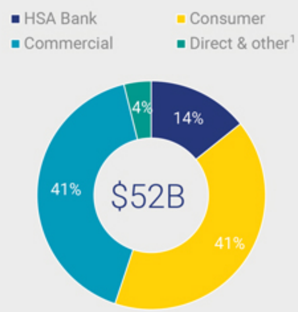
[5] Traditional C&I includes middle market lending, private banking, business banking and franchise lending

[6] Sponsor & Specialty includes loans to sponsor-backed companies

Best-in-Class Deposit Franchises

- Consumer – 200+ financial centers serving consumers and small businesses in the highly populated Northeast I-95 corridor and Long Island
- Commercial – Sophisticated treasury services offerings for commercial clients
- HSA Bank – Longstanding top 3 player nationally, with strong growth characteristics
- Direct bank – Growing source of deposits with low "all-in" cost

STRONG DEPOSIT BASE
low cost, long duration



0.12%
cost of deposits

HSA BANK
top 3 health savings platform nationally

ACCOUNTS 3M	**FOOTINGS** deposits and investments $10B
MARKET SHARE nationally 12%	**GROWTH** accounts, 2015–20[2] 11%

Note: Deposit data as of March 31, 2021; HSA Bank data as of December 31, 2020; Pro forma balance sheet metrics exclude impact of purchase accounting; HSA Bank market share per Devenir Research
[1] Direct & other includes BrioDirect platform and brokered / wholesale deposits
[2] HSA Bank annualized account growth between 2015 and 2020

Shared Values, Benefits for All Stakeholders

EXPAND PRODUCTS AND SERVICES to better serve customers

Retain commitment to **COMMUNITY DEVELOPMENT AND CORPORATE CITIZENSHIP**

100,000+ VOLUNTEER HOURS in communities where we live and work

COMPLEMENTARY VALUES BASED CULTURES and robust risk management

INVEST IN TECHNOLOGY to enhance client and customer experience

ENVIRONMENTAL, SOCIAL AND GOVERNANCE efforts remain a top priority

$6.5M+ in annual corporate giving

COMMITMENT to advancing our progress on **DIVERSITY, EQUITY & INCLUSION**

Transaction Structure and Financial Impact

Merger of Equals

Structure & Exchange Ratio	• Sterling Bancorp to merge into Webster Financial Corporation; Sterling National Bank to merge into Webster Bank, N.A. • 100% stock consideration • 0.463 of a Webster share for each Sterling share
Leadership	• Jack L. Kopnisky, President & CEO of Sterling, will serve as Executive Chairman of the combined company for 24 months after closing, and will continue in a consulting capacity for an additional 12 months thereafter • John R. Ciulla, Chairman, President & CEO of Webster, will serve as President & CEO of the combined company until 24 months after closing, at which time he will become Chairman, President & CEO • Executive management will draw from both sides, including Luis Massiani, COO of Sterling, as COO and Glenn I. MacInnes, CFO of Webster, as CFO
Board of Directors	• 8 Webster / 7 Sterling, including Jack L. Kopnisky and John R. Ciulla • William L. Atwell, Webster's Lead Independent Director, will continue as Lead Independent Director of the combined board for 24 months after closing, after which the Lead Independent Director will be a legacy Sterling director
Ownership	• 50.4% Webster / 49.6% Sterling
Brand	• Webster
Headquarters	• Stamford, CT • Continued multi-campus presence in the Greater New York City area and Waterbury, CT
Timing & Approvals	• Anticipated closing in Q4 2021 • Subject to Webster and Sterling shareholder approvals and required regulatory approvals

Key Financial Assumptions

Standalone EPS	• 2022 consensus EPS[1]: Webster $4.24, Sterling $2.20
Annual Cost Savings	• $120M pre-tax, representing 11% of combined 2022 expenses[2] (over and above Webster's announced 2021 efficiency plan) • Net of planned investments in people, products and technology • Expected to be realized 75% in 2022, 100% thereafter
Revenue Synergies	• Identified but not included in announced financial returns
One-Time Costs	• $245M pre-tax / $211M after-tax; for illustrative purposes, fully reflected in pro forma capital at closing
Pro Forma Payout	• 75% target total payout ratio, comprised of 30% dividend payout ratio and 45% target share repurchase payout ratio • $400M of share repurchases in 2022
Credit Marks	• $323M total lifetime loan loss estimate, equivalent to 1.5% of Sterling's gross loans and 1.0x Sterling's ACL • Non-Purchase Credit Deteriorated reserve of $194M, established day 2 through provision expense • Non-Purchase Credit Deteriorated credit mark is accreted into earnings over four years using sum-of-years digits
Fair Value Marks	• $58M write-down of gross loans • $102M write-up of securities • $21M write-up of time deposits, subordinated debt and preferred equity
CDI	• Core deposit intangible of 0.50% of Sterling's $21B core deposits, amortized over 10 years using sum-of-years digits

[1] Based on 2022 median analyst consensus estimates as of April 16, 2021
[2] Based on 2022 median analyst consensus noninterest expense estimates as of April 16, 2021, excluding amortization of intangibles

Exceptional Financial Benefits

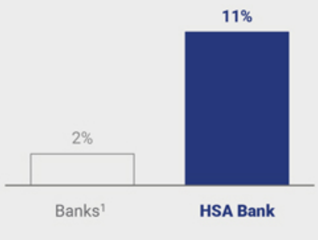
GAAP EPS ACCRETION to Webster[1]	GAAP EPS ACCRETION to Sterling[1]	TBVPS DILUTION[2]	TBVPS EARNBACK[3]	EXCESS CAPITAL generated annually[4]
>20%	>10%	<2%	<1 year	~$440M

Note: Financial data as of March 31, 2021; Market data as of April 16, 2021
[1] Run-rate GAAP EPS accretion, assuming $120M of pre-tax cost savings are fully phased in and including other GAAP earnings adjustments; See page 25 for detail regarding calculation of run-rate GAAP EPS accretion
[2] Tangible book value per share dilution at close, inclusive of one-time restructuring charges and day 2 non-purchase credit deteriorated CECL provision; See page 26 for detail regarding calculation of TBVPS dilution
[3] Earnback calculated using the crossover method
[4] Represents CET1 capital created after common dividends and capital required for expected risk-weighted asset growth; See page 17 for calculation of excess capital generation

Enhanced Opportunity to Aggressively Grow HSA Bank

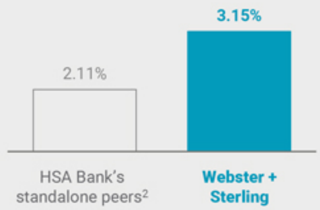
HSA BANK IS A GROWTH ENGINE

2015–2020 account CAGR (%)



WEBSTER MAXIMIZES HSA BANK'S PROFITABILITY

net interest margin (%)



MERGER ENHANCES STRONG GROWTH

- Combined company has ~2x balance sheet capacity to grow HSA Bank vs. Webster standalone
- HSA Bank will be a top priority for larger pro forma product and technology investments
- HSA Bank will continue to benefit from strong underlying market growth and opportunities to capture share

Source: Company filings; SNL Financial

[1] Includes all U.S. banks with total consolidated assets between $20–100B as of December 31, 2020, excluding banks involved in major M&A transactions since 2015

[2] Average of disclosed net interest margins of HealthEquity as of January 31, 2021 and Optum Bank as of December 31, 2020; HealthEquity net interest margin calculated as custodial revenue minus custodial costs divided by average cash balances

Efficiency Improvements Enable Investments

Conservative, Achievable Cost Savings

- $120M in identified pre-tax cost savings
  - 11% of combined 2022 expenses[1] (over and above Webster's announced 2021 efficiency plan)
  - Net of planned investments in people, products and technology
  - Expected to be realized 75% in 2022, 100% thereafter
- Savings will come primarily from facilities, redundant technology, overlapping servicing platforms, shared services, and third party / vendor consolidation

[1] Based on 2022 median analyst consensus noninterest expense estimates as of April 16, 2021, excluding amortization of intangibles

Significantly Enhanced Investment Capacity

- Combined company will continue to invest in its highly differentiated businesses
- Client-facing digital capabilities will be a priority, including:
  - Further investments in HSA Bank to differentiate the customer experience
  - Enhanced digital capabilities powered by a scalable technology and data platform
  - Enrichment of the client experience to align with changing customer preferences

Peer-Leading Excess Capital Generation

Annual	$M
Synergized earnings[1]	~$930
(–) Capital for organic growth[2]	~(190)
(–) Dividends[3]	~(300)
Excess capital generation	**~$440**
Per share, before repurchases	~$2.50

Note: Financial data as of March 31, 2021; Market data as of April 16, 2021
[1] Run-rate GAAP net income, assuming $120M of pre-tax cost savings are fully phased in and including other GAAP earnings adjustments; See page 25 for detail regarding calculation of synergized earnings
[2] Capital required to fund risk-weighted asset growth of 4% per analyst consensus estimates as of April 16, 2021, capitalized at 10.5% CET1 target
[3] Based on 2022 median analyst consensus estimates for dividends per share multiplied by average basic shares outstanding; Assumes the pro forma company maintains Webster's standalone dividends per share

Thorough, Reciprocal Due Diligence

EXTENSIVE SCOPE

Consumer Banking	Commercial Banking
Digital Banking	Credit
CECL & Capital Stress Testing	CRA
Enterprise Risk Management	BSA & Compliance
Audit	Finance, Tax & Accounting
Legal	Human Resources
Loan & Deposit Operations	Technology & Enterprise Data
Facilities	Marketing & Communications

BY THE NUMBERS

200+	• Webster and Sterling employees participated
50+	• Outside professionals engaged
20,000+	• Documents and files exchanged
2,000+	• Loan files reviewed, split roughly evenly between both sides
Significant sampling	• Loan file review of COVID-impacted sectors (including restaurants, hospitality, office and investor real estate) and criticized/classified loans

Significant Upside

	Webster	Sterling	**Webster + Sterling**	$50–100B asset banks[1]
2022 ROAA	1.08%	1.25%	**1.40%**	0.97%
2022 ROATCE	13%	14%	**17%**	13%
CET1	11.9%	11.9%	**11.3%**	9.9%
Price / run-rate 2022 EPS	**13.5x**	**10.8x**	**10.9x[2]**	**12.7x**

Source: FactSet, SNL Financial
Note: Financial data as of most recent quarter available; Market data as of April 16, 2021
[1] Includes all U.S. banks with total consolidated assets between $50–100B as of December 31, 2020, excluding those party to a sizable transaction
[2] Webster share price as of April 16, 2021 divided by pro forma run-rate fully-synergized GAAP EPS; See page 25 for detail regarding calculation of run-rate GAAP EPS

Webster + Sterling

Creating scale

Driving growth and value

Delivering exceptional performance

Maintaining our values and culture

Appendix

Delivers on All Key Elements Necessary for a Successful Merger

	Webster + Sterling
Strong capital position and adequate loan loss reserves	✓
Established ERM systems and platform	✓
Positive regulatory relationships	✓
Strong earnings performance, internal capital generation and capital management strategy	✓
Diversified and low cost core funding and liquidity profile	✓
Balanced business mix and balance sheet	✓
Solid CRA program	✓
Clear and consistent go-forward business strategy	✓
M&A and integration history and experience	✓
Management talent and bench strength	✓

Shared Values

THE WEBSTER WAY

We take personal responsibility
for meeting our customers' needs.

We respect the dignity
of every individual.

We earn trust
through ethical behavior.

We give of ourselves
in the communities we serve.

We work together
to achieve outstanding results.

STERLING—ABOVE AND BEYOND IS STANDARD PROCEDURE HERE

Accountability

Collaboration

Integrity

Initiative

High Achievement

Pro Forma Balance Sheet

($B)	As of March 31, 2021 Webster	Sterling	Illustrative at closing[1] Webster + Sterling
Assets			
Total cash and securities	$10.3	$5.2	$13.9
Net loans	21.0	20.9	43.4
Total intangibles	0.6	1.8	2.7
Other assets	1.5	2.1	3.9
Total assets	$33.3	$29.9	$63.9
Liabilities and Equity			
Deposits	$28.5	$23.8	$51.9
Other liabilities	1.5	1.5	3.7
Total liabilities	$30.0	$25.3	$55.6
Preferred equity	$0.1	$0.1	$0.3
Common equity	3.1	4.5	8.0
Total equity	$3.3	$4.6	$8.3
Total liabilities & equity	$33.3	$29.9	$63.9
ACL / Gross loans[2]	1.54%	1.53%	1.48%
NPLs / Loans[3]	0.71%	0.80%	0.72%
Common equity tier 1 risk-based capital	11.9%	11.9%	11.3%
Bank level regulatory CRE / Total risk-based capital[4]	164%	308%	253%

Note: Financial data as of March 31, 2021; Market data as of April 16, 2021

[1] Balance sheet metrics at closing assume growth rates for the standalone companies based on analyst consensus estimates as of April 16, 2021; Illustrative pro forma metrics include impacts of merger adjustments and purchase accounting

[2] Includes PPP loans; Assumes each company maintains their current allowance for credit losses on loans and leases

[3] Assumes pro forma NPLs at closing are equal to the sum of the standalone company NPLs as of March 31, 2021 and assumes the illustrative loans at closing are based on median analyst consensus estimates, adjusted for purchase accounting adjustments

[4] Concentration shown at the bank level; Regulatory CRE includes loans on construction and land development, multifamily loans, non owner-occupied nonfarm nonresidential loans and commercial real estate purpose loans included in C&I; Illustrative CRE at closing assumes regulatory CRE as of March 31, 2021 grows at the median analyst consensus loan growth estimate; Total risk-based capital at closing assumes purchase accounting adjustments are also made at the bank level

Earnings Per Share Accretion

	$M
Webster 2022 EPS consensus median estimate	$375
Sterling 2022 EPS consensus median estimate	400
After-tax transaction adjustments	
Fully phased-in cost savings[1]	$95
Cost of financing	(1)
Add-back of Sterling standalone intangible amortization expense	11
Core deposit intangible amortization[2]	(15)
Fair market value adjustment amortization[3]	4
Non-Purchase Credit Deteriorated loan credit mark accretion under CECL[4]	61
Pro forma 2022 Webster net income	$930
Webster weighted average diluted shares outstanding[5]	91
Shares issued to Sterling	89
Weighted average shares repurchased[6]	(3)
Pro forma weighted average shares outstanding	177
Webster 2022 standalone EPS	$4.24
Sterling 2022 standalone EPS	2.20
Webster 2022 pro forma EPS	$5.25
$ EPS accretion to Webster	$1.01
% EPS accretion to Webster	23.9%
Pro forma 2022 EPS	$5.25
(x) Fixed exchange ratio	0.463x
Pro forma 2022 EPS attributable to Sterling	$2.43
$ EPS accretion to Sterling	$0.23
% EPS accretion to Sterling	10.6%
Internal rate of return[7]	>17%

Note: Financial data as of March 31, 2021; Market data as of April 16, 2021
[1] $120 million in pre-tax cost savings identified on a fully synergized basis, net of targeted investments
[2] Core deposit intangible of 0.50% of Sterling's $21 billion core deposits, amortized over 10 years using sum-of-years digits
[3] Estimated fair value mark accreted back through earnings based on the estimated expected lives of individual assets and liabilities
[4] Non-Purchase Credit Deteriorated credit mark is accreted into earnings over four years using sum-of-years digits
[5] Reflects weighted-average fully diluted shares outstanding
[6] Weighted average shares repurchased in 2022 assuming $400 million of share repurchases
[7] IRR based on a 5-year dividend discount model, assuming a 10.5% CET1 ratio target and a 13.0x terminal multiple, which represents the weighted average P/E multiple of the standalone companies

Purchase Accounting Summary

	$M	Millions of basic shares	$ per share
Webster tangible book value as of March 31, 2021[1]	$2,568	90.4	$28.41
(+) Three quarters of consensus earnings prior to close	255		
(–) Three quarters of consensus per share common dividends	(108)		
(–) One-time adjustments related to cost efficiency initiatives	(12)		
(+) Amortization of existing intangibles	3		
Standalone Webster tangible book value at close	$2,707	90.4	$29.94
Pro forma			
Standalone Webster tangible book value at close	$2,707	90.4	$29.94
(+) Merger consideration	5,119	89.2	
(–) Goodwill and intangibles created[2]	(2,149)		
(–) After-tax restructuring expenses	(211)		
Pro forma Webster tangible book value at close	5,467	179.6	$30.43
(–) Day 2 CECL Non-Purchase Credit Deteriorated reserve	(153)		
Pro forma Webster tangible book value	5,314	179.6	$29.58
$ dilution to Webster			($0.36)
% dilution to Webster			(1.2%)
Tangible book value per share earnback[3]			<1 year

	$M
Merger consideration	$5,119
Standalone Sterling tangible book value at close	$2,954
(+) After-tax impact of fair value adjustments	16
(+) Elimination of DTL on intangibles at close	23
Adjusted tangible book value at close	$2,993
Excess over adjusted tangible book value	$2,126
(–) Core deposit intangible created	(106)
(+) DTL on CDI	22
Goodwill created	$2,043
Goodwill and intangibles created[2]	$2,149

Note: Pro forma metrics projected to closing based on financial data as of March 31, 2021; Market data as of April 16, 2021
[1] Webster tangible book value equal to common shareholders equity less goodwill and other intangible assets; See page 27 for reconciliation to GAAP Financial measures
[2] Based on assumptions as of announcement date; Subject to change at transaction closing
[3] Based on the point at which the company's pro forma tangible book value per share crosses over and begins to exceed projected standalone Webster tangible book value per share (crossover method)

Reconciliations to GAAP Financial Measures

Webster Financial Corporation
(In thousands, except per share data)

Tangible equity:	
Shareholders' equity (GAAP)	$3,272,928
Less: Goodwill and other intangible assets (GAAP)	559,617
Tangible shareholders' equity (non-GAAP)	$2,713,311
Tangible common equity:	
Tangible shareholders' equity (non-GAAP)	$2,713,311
Less: Preferred stock (GAAP)	145,037
Tangible common shareholders' equity (non-GAAP)	$2,568,274
Tangible book value per common share:	
Tangible common shareholders' equity (non-GAAP)	$2,568,274
Common shares outstanding	90,410
Tangible book value per common share (non-GAAP)	$28.41

Note: Financial data as of March 31, 2021

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported): April 22, 2021 (April 18, 2021)

WEBSTER FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	001-31486	06-1187536
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

145 Bank Street, Waterbury, Connecticut 06702
(Address and zip code of principal executive offices)

203-578-2202
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of Exchange on which registered
Common Stock, $0.01 par value	WBS	New York Stock Exchange
Depositary Shares, each representing 1/1000th interest in a share of 5.25% Series F Non-Cumulative Perpetual Preferred Stock	WBS-F	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On April 18, 2021, Webster Financial Corporation, a Delaware corporation ("Webster"), entered into an Agreement and Plan of Merger (the "Merger Agreement") with Sterling Bancorp, a Delaware corporation ("Sterling"). The Merger Agreement provides that, upon the terms and subject to the conditions set forth therein, Sterling will merge with and into Webster (the "Merger"), with Webster as the surviving corporation in the Merger. Following the Merger, Sterling's wholly-owned subsidiary, Sterling National Bank, will merge with and into Webster's wholly-owned subsidiary, Webster Bank, National Association ("Webster Bank") (the "Bank Merger"), with Webster Bank as the surviving bank in the Bank Merger. The Merger Agreement was unanimously approved and adopted by the board of directors of each of Webster and Sterling.

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each share of common stock, par value $0.01 per share, of Sterling ("Sterling Common Stock") outstanding immediately prior to the Effective Time, other than certain shares held by Webster or Sterling, will be converted into the right to receive 0.4630 of a share (the "Exchange Ratio") of common stock, par value $0.01 per share, of Webster ("Webster Common Stock"). Holders of Sterling Common Stock will receive cash in lieu of fractional shares.

At the Effective Time, each share of Series A preferred stock, par value $0.01 per share, of Sterling outstanding immediately prior to the Effective Time will be converted into the right to receive one share of a newly created series of preferred stock, par value $0.01 per share, of Webster having substantially the same terms as such Sterling Series A preferred stock.

In addition, at the Effective Time, each outstanding Sterling equity award granted under Sterling's equity compensation plans will be converted into a corresponding award with respect to Webster Common Stock, with the number of shares underlying such award (and, in the case of stock options, the applicable exercise price) adjusted based on the Exchange Ratio. Each such converted Webster equity award will continue to be subject to the same terms and conditions as applied to the corresponding Sterling equity award, except that (1) in the case of Sterling performance share awards, the number of shares underlying the converted Webster equity award will be adjusted based on the number of shares underlying the Sterling performance share awards immediately prior to the Effective Time that would be earned assuming the achievement of the applicable performance goals based on the higher of target performance and actual performance, with such awards continuing to vest after the Effective Time solely based on continued service, subject to no performance conditions, and (2) in the case of restricted stock awards granted to non-employee members of Sterling's board of directors, such award will fully vest and be cancelled and automatically converted into the right to receive Webster Common Stock adjusted based on the Exchange Ratio.

The Merger Agreement also provides, among other things, that effective as of the Effective Time, (i) Jack L. Kopnisky, the current President and Chief Executive Officer of Sterling, will serve as Executive Chairman of the board of directors of the surviving corporation and the surviving bank, (ii) John R. Ciulla, the current Chairman, President and Chief Executive Officer of Webster, will serve as the President and Chief Executive Officer, as well as a member of the board of directors, of the surviving corporation and the surviving bank, and (iii) William L. Atwell (or another independent member of Webster's board of directors) will serve as the lead independent director of the board of directors of the surviving corporation and surviving bank. In addition, the board of directors of the surviving corporation and the surviving bank will each be comprised of fifteen (15) directors, of which seven (7) will be former members of the board of directors of Sterling designated by Sterling, including Mr. Kopnisky, and eight (8) will be former members of the board of directors of Webster designated by Webster, including Mr. Ciulla. The Merger Agreement provides that the headquarters and main office of the surviving corporation and the surviving bank will be located in Stamford, Connecticut. Effective as of the Effective Time, the bylaws of Webster will be amended to reflect the foregoing and certain related governance matters. In connection with the completion of the Merger, Webster's certificate of incorporation will also be amended to increase the number of authorized shares of Webster Common Stock from 200 million to 400 million (the "Certificate Amendment").

The Merger Agreement contains customary representations and warranties from both Sterling and Webster, and each party has agreed to customary covenants, including, among others, covenants relating to (1) the conduct of its business during the interim period between the execution of the Merger Agreement and the Effective Time, (2) its obligations to call a meeting of its stockholders to adopt the Merger Agreement and, subject to certain exceptions, to recommend that its stockholders adopt the Merger Agreement, and (3) its non-solicitation obligations relating to alternative acquisition proposals. Sterling and Webster have also agreed to use their reasonable best efforts to prepare and file all applications, notices and other documents to obtain all necessary consents and approvals for consummation of the transactions contemplated by the Merger Agreement.

The completion of the Merger is subject to customary conditions, including (1) adoption of the Merger Agreement by Sterling's stockholders, (2) adoption of the Merger Agreement and adoption and approval of the Certificate Amendment by Webster's stockholders, (3) authorization for listing on the New York Stock Exchange of the shares of Webster Common Stock to be issued in the Merger as well as shares of the newly created series of Webster preferred stock (or depositary shares in respect thereof), (4) receipt of required regulatory approvals, including the approval of the Board of Governors of the Federal Reserve System and the Office of the Comptroller of the Currency, (5) effectiveness of the registration statement on Form S-4 for the Webster Common Stock and the newly created series of Webster preferred stock (or depositary shares in respect thereof) to be issued in the Merger, and (6) the absence of any order, injunction, decree or other legal restraint preventing the completion of the Merger, the Bank Merger or any of the other transactions contemplated by the Merger Agreement or making the completion of the Merger, the Bank Merger or any of the other transactions contemplated by the Merger Agreement illegal. Each party's obligation to complete the Merger is also subject to certain additional customary conditions, including (1) subject to certain exceptions, the accuracy of the representations and warranties of the other party, (2) performance in all material respects by the other party of its obligations under the Merger Agreement and (3) receipt by such party of an opinion from its counsel to the effect that the Merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended.

The Merger Agreement provides certain termination rights for both Sterling and Webster and further provides that a termination fee of $185,000,000 will be payable by either Sterling or Webster, as applicable, upon termination of the Merger Agreement under certain circumstances.

The representations, warranties and covenants of each party set forth in the Merger Agreement have been made only for purposes of, and were and are solely for the benefit of the parties to, the Merger Agreement; may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Merger Agreement instead of establishing these matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Accordingly, the representations and warranties may not describe the actual state of affairs at the date they were made or at any other time, and investors should not rely on them as statements of fact. In addition, such representations and warranties (1) will not survive consummation of the Merger and (2) were made only as of the date of the Merger Agreement or such other date as is specified in the Merger Agreement. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in the parties' public disclosures. Accordingly, the Merger Agreement is included with this filing only to provide investors with information regarding the terms of the Merger Agreement, and not to provide investors with any other factual information regarding Sterling or Webster, their respective affiliates or their respective businesses. The Merger Agreement should not be read alone, but should instead be read in conjunction with the other information regarding Sterling, Webster, their respective affiliates or their respective businesses, the Merger Agreement and the Merger that will be contained in, or incorporated by reference into, the Registration Statement on Form S-4 that will include a joint proxy statement of Sterling and Webster and a prospectus of Webster, as well as in the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings that each of Sterling and Webster makes with the Securities and Exchange Commission ("SEC").

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement, which is attached hereto as Exhibit 2.1 and is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In connection with the execution of the Merger Agreement, Webster has entered into retention agreements with each of Mr. Ciulla and Mr. MacInnes setting forth the terms of their employment with Webster for the two year period immediately following the Effective Time (the "Term"). Mr. Ciulla's retention agreement provides that he will serve as the President and Chief Executive Officer, as well as a member of the board of directors, of the surviving corporation and the surviving bank and will succeed Mr. Kopnisky as Chairman of the board of directors, and Mr. MacInnes' retention agreement provides that he will serve as the Executive Vice President and Chief Financial Officer of the surviving corporation and the surviving bank.

In consideration for their services, (a) Mr. Ciulla will receive an annual base salary of $1,100,000, a target annual cash incentive award of 125% of his annual base salary and annual long-term incentive awards with a target grant date fair value of not less than 300% of his base salary, and (b) Mr. MacInnes will receive an annual base salary of $600,000, a target annual cash incentive award of 100% of his annual base salary and annual long-term incentive awards with a target grant date fair value of not less than 150% of his base salary.

If the executive officer's employment is terminated by Webster without cause or by the executive officer for good reason during the Term, in consideration for his execution of a release of claims in favor of Webster and in compliance with the restrictive covenants described below, the executive officer would be entitled to the following severance benefits: (1) a prorated bonus based on actual achievement for the year in which his termination occurs, (2) a cash severance payment equal to the product of (a) a severance multiple (three for Mr. Ciulla and two for Mr. MacInnes) and (b) the sum of his base salary and his target annual bonus, (3) a payment equal to the cost of continued health and life insurance for three years (for Mr. Ciulla) or two years (for Mr. MacInnes), (4) an amount equal to the additional amounts that would have been contributed to the executive officer's qualified and supplemental defined contribution accounts as if the executive officer's employment continued for an additional three years (for Mr. Ciulla) or two years (for Mr. MacInnes), and (5) full vesting of his unvested long-term incentive awards, with any performance-vesting awards to remain outstanding and eligible to be earned based on the level of performance achieved, without proration and without regard to any applicable one year holding period. If, in connection with a severance qualifying termination following change in control transaction that occurs after the Merger, the executive officer becomes entitled to payments or benefits under his existing change in control agreement with Webster, in no event will he have a right to duplicative payments or benefits under his retention agreement.

The retention agreements provide that, if the compensation and benefits payable thereunder or any other arrangement would be subject to Section 280G of the Code, such amounts would be reduced to the extent such reduction would place the executive officer in a better after-tax position.

The retention agreements contain certain restrictive covenants, including a perpetual nondisclosure covenant, a non-solicitation covenant (of clients and employees) which applies during the executive officer's employment and for one year following a termination for any reason, and a non-competition covenant which applies during the executive officer's employment and for two years following a termination for any reason. During the Term, Mr. Ciulla's and Mr. MacInnes' existing non-competition agreements with Webster (including the existing severance entitlements contained therein) will not apply and will be of no force and effect, but will automatically again become effective upon expiration of the Term.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This communication may contain certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements about the benefits of the proposed transaction, the plans, objectives, expectations and intentions of Webster and Sterling, the expected timing of completion of the transaction, and other statements that are not historical facts. Such statements are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business, results of operations, and financial condition; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and credit markets; movements in interest rates; reform of LIBOR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the merger agreement between Webster and Sterling; the outcome of any legal proceedings that may be instituted against Webster or Sterling; delays in completing the transaction; the failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transaction); the failure to obtain stockholder approvals or to satisfy any of the other conditions to the transaction on a timely basis or at all; the possibility that the anticipated benefits of the transaction are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where Webster and Sterling do business; the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management's attention from ongoing business operations and opportunities; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the transaction; the ability to complete the transaction and integration of Webster and Sterling successfully; the dilution caused by Webster's issuance of additional shares of its capital stock in connection with the transaction; and other factors that may affect the future results of Webster and Sterling. Additional factors that could cause results to differ materially from those described above can be found in Webster's Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the Securities and Exchange Commission (the "SEC") and available on Webster's investor relations website, https://webster.gcs-web.com/, under the heading "Financials" and in other documents Webster files with the SEC, and in Sterling's Annual Report on Form 10-K for the year ended December 31, 2020, which is on file with the SEC and available on Sterling's website, https://sterlingbancorp.com/, under the heading "Financial Information" and in other documents Sterling files with the SEC.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. Neither Webster nor Sterling assumes any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

IMPORTANT ADDITIONAL INFORMATION

In connection with the proposed transaction, Webster will file with the SEC a Registration Statement on Form S-4 that will include a Joint Proxy Statement of Webster and Sterling and a Prospectus of Webster, as well as other relevant documents concerning the proposed transaction. The proposed transaction involving Webster and Sterling will be submitted to Sterling's stockholders and Webster's stockholders for their consideration. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. INVESTORS AND STOCKHOLDERS OF WEBSTER AND STOCKHOLDERS OF STERLING ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS REGARDING THE TRANSACTION WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Stockholders will be able to obtain a free copy of the definitive joint proxy statement/prospectus, as well as other filings containing information about Webster and Sterling, without charge, at the SEC's website (http://www.sec.gov). Copies of the joint proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the joint proxy statement/prospectus can also be obtained, without charge, by directing a request to Kristen Manginelli, Director of Investor Relations, Webster Financial Corporation, 145 Bank Street, Waterbury, Connecticut 06702, (203) 578-2202 or to Emlen Harmon, Managing Director, Investor Relations, Sterling Bancorp, Two Blue Hill Plaza, Second Floor, Pearl River, New York 10965, (845) 369-8040.

PARTICIPANTS IN THE SOLICITATION

Webster, Sterling, and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Webster and Sterling in connection with the proposed transaction under the rules of the SEC. Information regarding Webster's directors and executive officers is available in its definitive proxy statement relating to its 2021 Annual Meeting of Shareholders, which was filed with the SEC on March 19, 2021, and other documents filed by Webster with the SEC. Information regarding Sterling's directors and executive officers is available in its definitive proxy statement relating to its 2021 Annual Meeting of Stockholders, which was filed with the SEC on April 14, 2021, and other documents filed by Sterling with the SEC. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the joint proxy statement/prospectus and other relevant materials filed with the SEC. Free copies of this document may be obtained as described in the preceding paragraph.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as of April 18, 2021, by and between Sterling Bancorp and Webster Financial Corporation.*
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

* Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule will be furnished supplementally to the SEC upon request; provided, however, that the parties may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any document so furnished.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

		WEBSTER FINANCIAL CORPORATION
Date: April 22, 2021	By:	/s/ Harriet Munrett Wolfe
		Harriet Munrett Wolfe Executive Vice President, General Counsel and Secretary

Public Exhibit 8

Form of Newspaper Notice

Notice of Application for Acquisition of a Bank Holding Company and Bank

Webster Financial Corporation ("Webster"), Waterbury, Connecticut, intends to apply to the Federal Reserve Board ("Federal Reserve") for permission to acquire Sterling Bancorp, Pearl River, New York, and its subsidiary bank, Sterling National Bank, Pearl River, New York, and for the merger of Sterling Bancorp with and into Webster, with Webster as the surviving company. The Federal Reserve considers a number of factors in deciding whether to approve the applications, including the records of performance of the respective banks owned by Webster and Sterling Bancorp in helping to meet local credit needs.

You are invited to submit comments in writing on this application to the Federal Reserve Bank of Boston ("Reserve Bank"), 600 Atlantic Avenue, Boston, MA 02210-2204, or via email: BOS.SRC.Applications.Questions@bos.frb.org. The comment period will not end before June 28, 2021, and may be somewhat longer. The Federal Reserve's procedures for processing applications may be found at 12 C.F.R. Part 262. Procedures for processing protested applications may be found at 12 C.F.R. 262.25. To obtain a copy of the Federal Reserve's procedures, or if you need more information about how to submit your comments on the application, contact Prabal Chakrabarti, Senior Vice President and Community Affairs Officer, at (617) 973-3959. The Federal Reserve will consider your comments and any request for any request for a public meeting or formal hearing on the applications if they are received in writing by the Reserve Bank on or before the last day of the comment period.

Publication Date: May 28, 2021

Publication in Newspapers of General Circulation: *Republican-American*, Waterbury, Connecticut; *The Journal News*, White Plains, New York; and *The Advocate*, Stamford, Connecticut.

PUBLIC EXHIBITS VOLUME II

APPLICATION

to the

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

by

WEBSTER FINANCIAL CORPORATION

for prior approval to acquire by merger

STERLING BANCORP

and

STERLING NATIONAL BANK

pursuant to Sections 3(a)(3) and 3(a)(5) of the
Bank Holding Company Act
and
Section 225.15 of Regulation Y

May 28, 2021

PUBLIC EXHIBITS VOLUME II

WEBSTER FINANCIAL CORPORATION

May 28, 2021

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Public Exhibit 9

Balance Sheets, Income Statements, Regulatory Capital and Asset Quality (redacted)

Merger Application
Pro Forma Financials

Webster Financial Corporation & Sterling Bancorp
Webster Bank & Sterling National Bank

May 2021

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Holding Company Consolidated Financial Exhibits

Pro Forma Balance Sheet (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp
March 31, 2021

($ in thousands)	Webster Financial Corp	Sterling Bancorp
Assets:		
Cash and cash equivalents	$ 1,371,278	$ 935,633
Securities, net	8,882,149	4,241,457
Cash and securities	10,253,427	5,177,090
Loans held for sale	17,262	36,237
Loans and leases	21,307,143	21,151,973
Allowance for credit losses	328,351	323,186
Loans and leases, net	20,978,792	20,828,787
Goodwill	538,373	1,683,482
Other Intangibles	33,571	93,816
Total goodwill and intangibles	571,944	1,777,298
Other assets	1,492,493	2,094,870
Total assets	**$ 33,313,918**	**$ 29,914,282**
Liabilities:		
Deposits	$ 28,487,596	$ 23,923,963
Borrowings	1,222,227	712,732
Other liabilities	331,167	657,423
Total liabilities	30,040,990	25,294,118
Equity:		
Preferred stock	$ 145,037	$ 136,458
Common stock par value	937	2,299
Surplus	1,105,137	3,745,890
Retained earnings	2,147,436	1,377,341
Accumulated other comprehensive income	8,274	57,591
Other equity capital components	(133,893)	(699,415)
Total equity	3,272,928	4,620,164
Total liabilities and equity	**$ 33,313,918**	**$ 29,914,282**

Pro Forma Income Statement (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp
March 31, 2021

($ in thousands)	**Webster Financial Corp**	**Sterling Bancorp**
Interest income:		
Loans	$ 191,888	$ 205,855
Securities	44,454	27,089
Other	237	903
Total interest income	**236,579**	**233,847**
Interest expense:		
Deposits	6,439	8,868
Borrowings	5,370	7,065
Total interest expense	**11,809**	**15,933**
Net interest income	224,770	217,914
Provision for credit losses	(25,705)	10,000
Non-Interest Income:		
Other income	75,723	32,350
Total non-interest income	**75,723**	**32,350**
Non-interest expense:		
Intangible assets amortization	1,139	3,776
Other expenses	186,770	114,383
Total non-interest expense	**187,909**	**118,159**
Income before income taxes	138,289	122,105
Income tax expense	30,211	22,955
Net income	**108,078**	**99,150**
Preferred stock/other	1,969	1,963
Net income (to common)	**$ 106,109**	**$ 97,187**

[redacted]

Pro Forma Regulatory Capital Schedule (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp
March 31, 2021

($ in thousands)	Webster Financial Corp	Sterling Bancorp
Common equity tier 1 capital		
Common stock plus related surplus	$ 972,181	$ 3,048,774
Retained earnings	2,214,371	1,486,174
AOCI	8,274	57,591
Common equity tier 1 minority interests	-	-
Common equity tier 1 capital (before adjustments)	**3,194,826**	**4,592,539**
Common equity tier 1 capital adjustments		
Less: goodwill net of associated DTLs	530,949	1,683,482
Less: intangible assets net of associated DTLs	21,254	64,971
Less: deferred tax assets net of associated DTLs	25,246	-
Less: AOCI related adjustments	8,274	57,591
Less: Other deductions or additions to common equity tier 1	-	
Less: non-significant investments in capital of financial institutions	-	-
Total common equity tier 1 capital	**2,609,103**	**2,786,495**
Tier 1 capital		
Additional tier 1 capital instruments plus related surplus	145,037	136,458
Non-qualifying capital instruments (phase out Tier 1)	-	-
Tier 1 minority interest not included in common equity tier 1	-	-
Less: additional tier 1 capital deductions	-	-
Total tier 1 capital	**2,754,140**	**2,922,953**
Tier 2 capital		
Tier 2 capital instruments plus related surplus	77,320	635,820
Non-qualifying capital instruments (phase out tier 2)	-	-
Total capital minority interest not included in tier 1 capital	-	(45,845)
Allowance for credit losses	258,633	177,424
Unrealized gain on AFS equity includable in tier 2 capital	-	-
Less: tier 2 capital deductions	-	-
Total tier 2 capital	**335,953**	**767,399**
Total capital	**$ 3,090,093**	**$ 3,690,352**

Pro Forma Regulatory Capital Schedule (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp
March 31, 2021

($ in thousands)	Webster Financial Corp	Sterling Bancorp
Assets for regulatory capital		
Average total assets	$ 33,167,320	$ 29,583,391
Less: deductions from common equity tier 1 capital	577,449	1,748,453
Less: other deductions for leverage ratio	-	(713)
Assets for leverage ratios	32,589,871	27,835,651
Risk-weighted assets	21,945,308	23,325,951
Risk-weighted assets / total assets	65.87%	77.98%
Total assets	$ 33,313,918	$ 29,914,282
Regulatory capital ratios		
Common equity tier 1 risk-based capital	11.89%	11.95%
Well capitalized	*6.50%*	*6.50%*
Tier 1 Capital Ratio	12.55%	12.53%
Well Capitalized	*8.00%*	*8.00%*
Total Capital Ratio	14.08%	15.82%
Well Capitalized	*10.00%*	*10.00%*
Tier 1 Leverage	8.45%	10.50%
Well Capitalized	*5.00%*	*5.00%*

Pro Forma Merger Adjustments (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp
March 31, 2021

[redacted]

Pro Forma Merger Adjustments (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp
March 31, 2021

[redacted]

Pro Forma Merger Adjustments (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp
March 31, 2021

[redacted]

Forecasted Balance Sheet (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp

($ in thousands)	Actual Mar-21
Assets:	
Cash and cash equivalents	$ 1,371,278
Securities	8,882,149
Cash and securities	10,253,427
Loans held for sale	17,262
Loans and leases	21,307,143
Allowance for credit losses	328,351
Net loans	20,978,792
Goodwill	538,373
Other Intangibles	33,571
Total goodwill and intangibles	571,944
Other assets	1,492,493
Total assets	**$ 33,313,918**
Liabilities:	
Deposits	$ 28,487,596
Borrowings	1,222,227
Other liabilities	331,167
Total liabilities	**30,040,990**
Equity:	
Preferred stock	145,037
Common shareholder's equity	3,127,891
Total equity	**3,272,928**
Total liabilities and equity	**$ 33,313,918**

Forecasted Income Statement (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp

($ in thousands)		**Actual** **1Q 2021**
Interest income:		
Loans	$	191,888
Securities		44,454
Loans held for sale		-
Other		237
Total interest income		**236,579**
Interest expense:		
Deposits		6,439
Borrowings		5,370
Total interest expense		**11,809**
Net interest income		**224,770**
Provision for credit losses		(25,705)
Non-interest income:		
Other income		75,723
Total non-interest income		75,723
Non-interest expense:		
Intangible assets amortization		1,139
One-time merger cost		-
Other expenses		186,770
Total non-interest expense		187,909
Income before taxes		138,289
Income tax expense		30,211
Net income		**108,078**
Preferred stock/other		1,969
Net income (to common)	**$**	**106,109**

[redacted]

Forecasted Regulatory Capital Schedule (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp

($ in thousands)		Actual Mar-21
Common equity tier 1 capital		
Common stock plus related surplus	$	972,181
Retained earnings		2,214,371
AOCI		8,274
Common equity tier 1 minority Interests		-
Common equity tier 1 capital (before adjustments)		**3,194,826**
Common equity tier 1 capital adjustments		
Less: goodwill net of associated DTLs		530,949
Less: intangible assets net of associated DTLs		21,254
Less: deferred tax assets net of associated DTLs		25,246
Less: AOCI related adjustments		8,274
Less: other deductions or additions to common equity tier 1		-
Less: non-significant investments in capital of financial institutions		-
Total common equity tier 1 capital		**2,609,103**
Tier 1 capital		
Additional tier 1 capital instruments plus related surplus		145,037
Non-qualifying capital instruments (phase out tier 1)		-
Tier 1 minority Interest not included in common equity tier 1		-
Less: additional tier 1 capital deductions		-
Total tier 1 capital		**2,754,140**
Tier 2 capital		
Tier 2 capital instruments plus related surplus		77,320
Non-qualifying capital instruments (phase out tier 2)		-
Total capital minority Interest not included in tier 1 capital		-
Allowance for credit losses		258,633
Unrealized gain on AFS equity includable in tier 2 capital		-
Less: tier 2 capital deductions		-
Total tier 2 capital		**335,953**
Total capital	**$**	**3,090,093**

[redacted]

Forecasted Regulatory Capital Schedule (Hold Co. Consolidated)

Webster Financial Corp & Sterling Bancorp

($ in thousands)		Actual Mar-21
Assets for regulatory capital		
Average total assets	$	33,167,320
Less: deductions from common equity tier 1 capital		577,449
Less: other deductions for leverage ratio		-
Assets for leverage ratios		32,589,871
Risk-weighted assets		21,945,308
Risk-weighted assets / total assets		65.87%
Total assets	**$**	**33,313,918**
Regulatory capital ratios		
Common equity tier 1 risk-based capital		11.89%
Well capitalized		*6.50%*
Tier 1 capital ratio		12.55%
Well capitalized		*8.00%*
Total capital ratio		14.08%
Well capitalized		*10.00%*
Tier 1 leverage		8.45%
Well capitalized		*5.00%*

[redacted]

Bank Only Consolidated Financial Exhibits

Pro Forma Balance Sheet (Bank Consolidated)

Webster Bank & Sterling National Bank
March 31, 2021

($ in thousands)	Webster Bank	Sterling National Bank
Assets:		
Cash and cash equivalents	$ 1,371,278	$ 935,633
Securities, net	8,882,149	4,241,457
Cash and securities	10,253,427	5,177,090
Loans held for sale	17,262	36,237
Loans and leases	21,307,143	21,151,973
Allowance for credit losses	328,351	323,186
Loans and leases, net	20,978,792	20,828,787
Goodwill	538,373	1,655,572
Other Intangibles	33,571	73,316
Total goodwill and intangibles	571,944	1,728,888
Other assets	1,478,140	2,060,444
Total assets	**$ 33,299,565**	**$ 29,831,446**
Liabilities:		
Deposits	$ 28,802,159	$ 24,044,880
Borrowings	805,747	220,669
Other liabilities	329,524	641,885
Total liabilities	29,937,430	24,907,434
Equity:		
Common Stock	1	386
Surplus	2,010,091	4,286,549
Retained Earnings	1,343,043	579,486
Accumulated other comprehensive income (loss)	9,000	57,591
Total equity	3,362,135	4,924,012
Total liabilities and equity	**$ 33,299,565**	**$ 29,831,446**

Pro Forma Income Statement (Bank Consolidated)

Webster Bank & Sterling National Bank
March 31, 2021

($ in thousands)	Webster Bank	Sterling National Bank
Interest income:		
Loans	$ 191,712	$ 205,855
Securities	44,454	27,089
Loans held for sale	-	-
Other	413	903
Total interest income	**236,579**	**233,847**
Interest expense:		
Deposits	6,540	8,892
Borrowings	1,890	1,993
Total interest expense	**8,430**	**10,885**
Net interest Income	228,149	222,962
Provision for credit losses	(25,705)	10,000
Non-interest income:		
Other income	75,301	32,519
Total non-interest income	**75,301**	**32,519**
Non-interest expense:		
Intangible assets amortization	1,139	3,776
Other expenses	182,538	107,476
Total non-interest expense	**183,677**	**111,252**
Income before income taxes	145,478	134,229
Income tax expense	30,819	24,833
Net income	**$ 114,659**	**$ 109,396**

Pro Forma Regulatory Capital Schedule (Bank Consolidated)

Webster Bank & Sterling National Bank
March 31, 2021

($ in thousands)	Webster Bank	Sterling National Bank
Common equity tier 1 capital		
Common stock plus related surplus	$ 2,010,091	$ 4,286,935
Retained earnings	1,409,978	688,319
AOCI	9,000	57,591
Common equity tier 1 minority Interests	-	-
Common equity tier 1 capital (before adjustments)	**3,429,069**	**5,032,845**
Common equity tier 1 capital adjustments		
Less: goodwill net of associated DTLs	530,949	1,655,572
Less: intangible assets net of associated DTLs	21,254	50,137
Less: deferred tax assets net of associated DTLs	25,258	-
Less: AOCI related adjustments	9,000	57,591
Less: other deductions or additions to common equity tier 1	-	-
Less: non-significant investments in capital of financial institutions	-	-
Total common equity tier 1 capital	**2,842,608**	**3,269,545**
Tier 1 capital		
Additional tier 1 capital instruments plus related surplus	-	-
Non-qualifying capital instruments (phase out tier 1)	-	-
Tier 1 minority interest not included in common equity tier 1	-	-
Less: additional tier 1 capital deductions	-	-
Total tier 1 capital	**2,842,608**	**3,269,545**
Tier 2 capital		
Tier 2 capital instruments plus related surplus	-	143,757
Non-qualifying capital instruments (phase out tier 2)	-	-
Total capital minority interest not included in tier 1 capital	-	-
Allowance for credit losses	258,633	177,424
Unrealized gain on AFS equity includable in tier 2 capital	-	-
Less: tier 2 capital deductions	-	-
Total tier 2 capital	**258,633**	**321,181**
Total capital	**$ 3,101,241**	**$ 3,590,726**

Pro Forma Regulatory Capital Schedule (Bank Consolidated)

Webster Bank & Sterling National Bank
March 31, 2021

($ in thousands)	Webster Bank	Sterling National Bank
Assets for regulatory capital		
Average total assets	$ 33,151,562	$ 29,502,337
Less: deductions from common equity tier 1 capital	577,461	1,705,709
Less: other deductions for leverage ratio	-	(713)
Assets for leverage ratios	32,574,101	27,797,341
Risk-weighted assets	21,936,155	23,291,525
Risk-weighted assets / total assets	65.88%	78.08%
Total assets	**$ 33,299,565**	**$ 29,831,446**
Regulatory capital ratios		
Common equity tier 1 risk-based capital	12.96%	14.04%
Well capitalized	*6.50%*	*6.50%*
Tier 1 capital ratio	12.96%	14.04%
Well capitalized	*8.00%*	*8.00%*
Total capital ratio	14.14%	15.42%
Well capitalized	*10.00%*	*10.00%*
Tier 1 leverage	8.73%	11.76%
Well capitalized	*5.00%*	*5.00%*

Pro Forma Merger Adjustments (Bank Consolidated)

Webster Bank & Sterling National Bank
March 31, 2021

[redacted]

Pro Forma Merger Adjustments (Bank Consolidated)

Webster Bank & Sterling National Bank
March 31, 2021

[redacted]

Pro Forma Merger Adjustments (Bank Consolidated)

Webster Bank & Sterling National Bank
March 31, 2021

[redacted]

Forecasted Balance Sheet (Bank Consolidated)

Webster Bank & Sterling National Bank

($ in thousands)		Actual Mar-21	[redacted]
Assets:			
Cash and cash equivalents	$	1,371,278	
Securities, net		8,882,149	
Cash and securities		10,253,427	
Loans held for sale		17,262	
Loans and leases		21,307,143	
Allowance for credit losses		328,351	
Loans and leases, net		20,978,792	
Goodwill		538,373	
Other Intangibles		33,571	
Total goodwill and intangibles		571,944	
Other assets		1,478,140	
Total assets	**$**	**33,299,565**	
Liabilities:			
Deposits	$	28,802,159	
Borrowings		805,747	
Other liabilities		329,524	
Total liabilities		29,937,430	
Equity:			
Common equity		3,362,135	
Total equity		3,362,135	
Total liabilities and equity	**$**	**33,299,565**	

Forecasted Income Statement (Bank Consolidated)

Webster Bank & Sterling National Bank

($ in thousands)		**Actual 1Q 2021**
Interest income:		
Loans	$	191,712
Securities		44,454
Loans held for sale		-
Other		413
Total interest income		**236,579**
Interest expense:		
Deposits		6,540
Borrowings		1,890
Total interest expense		**8,430**
Net interest income		**228,149**
Provision for credit losses		(25,705)
Non-interest income:		
Other income		75,301
Total non-interest income		75,301
Non-Interest Expense:		
Intangible assets amortization		1,139
One-time merger cost		-
Other expenses		182,538
Total non-interest expense		183,677
Income before taxes		145,478
Income tax expense		30,819
Net income	**$**	**114,659**

Forecasted Regulatory Capital Schedule (Bank Consolidated)

Webster Bank & Sterling National Bank

($ in thousands)		Actual Mar-21
Common equity tier 1 capital		
Common stock plus related surplus	$	2,010,091
Retained earnings		1,409,978
AOCI		9,000
Common equity tier 1 minority Interests		-
Common equity tier 1 capital (before adjustments)		**3,429,069**
Common equity tier 1 capital adjustments		
Less: goodwill Net of Associated DTLs		530,949
Less: Intangible Assets Net of Associated DTLs		21,254
Less: deferred tax assets net of associated DTLs		25,258
Less: AOCI related adjustments		9,000
Less: other deductions or additions to common equity tier 1		-
Less: non-significant investments in capital of financial institutions		-
Total common equity tier 1 capital		**2,842,608**
Tier 1 capital		
Additional tier 1 capital instruments plus related surplus		-
Non-qualifying capital instruments (phase out tier 1)		-
Tier 1 minority Interest not included in common equity tier 1		-
Less: additional tier 1 capital deductions		-
Total tier 1 capital		**2,842,608**
Tier 2 capital		
Tier 2 capital instruments plus related surplus		-
Non-qualifying capital Instruments (phase out tier 2)		-
Total capital minority Interest not included in tier 1 capital		-
Allowance for credit losses		258,633
Unrealized gain on AFS equity includable in tier 2 capital		-
Less: tier 2 capital deductions		-
Total tier 2 capital		**258,633**
Total capital	**$**	**3,101,241**

[redacted]

Forecasted Regulatory Capital Schedule (Bank Consolidated)

Webster Bank & Sterling National Bank

($ in thousands)	**Actual Mar-21**
Assets for regulatory capital	
Average total assets	$ 33,151,562
Less: deductions from common equity tier 1 capital	577,461
Less: other deductions for leverage ratio	-
Assets for leverage ratios	32,574,101
Risk-weighted assets	21,936,155
Risk-weighted assets / total assets	65.88%
Total assets	**$ 33,299,565**
Regulatory capital ratios	
Common equity tier 1 risk-based capital	12.96%
Well Capitalized	*6.50%*
Tier 1 capital ratio	12.96%
Well capitalized	*8.00%*
Total capital ratio	14.14%
Well capitalized	*10.00%*
Tier 1 leverage	8.73%
Well capitalized	*5.00%*

[redacted]

Holding Company Parent Only Financial Exhibits

Pro Forma Balance Sheet (Parent Only)

Webster & Sterling
March 31, 2021

($ in thousands)	Webster	Sterling
Assets:		
Cash and cash equivalents	$ 312,672	$ 120,918
Intercompany debt securities	150,000	-
Investments in bank subsidiaries	3,362,135	4,924,012
Investment in other subsidiaries	4,175	
Goodwill	-	27,910
Intangibles	-	20,500
Other assets	13,203	34,424
Total assets	**$ 3,842,185**	**$ 5,127,764**
Liabilities:		
Other borrowed money with maturity of more than on year	$ 489,160	$ -
Subordinated notes	$ -	492,063
Due to subsidiaries	78,255	1,162
Other liabilities	1,842	14,375
Total liabilities	569,257	507,600
Equity:		
Preferred equity	145,037	136,458
Common equity	3,127,891	4,483,706
Total equity	3,272,928	4,620,164
Total liabilities and equity	**$ 3,842,185**	**$ 5,127,764**

Pro Forma Income Statement (Parent Only)

Webster & Sterling
March 31, 2021

($ in thousands)	Webster	Sterling
Operating Income:		
Dividends from bank subsidiary	$ 60,000	$ 40,000
Interest on securities and interest-bearing deposits	100	24
Other non-interest income	765	-
Total operating income	60,865	40,024
Operating expense:		
Interest expense on borrowings	3,609	5,072
Compensation and benefits	208	6,616
Other non-interest expense	4,245	460
Total operating expense	8,062	12,148
Income before income tax benefit and equity in undistributed earnings of subsidiaries	52,803	27,876
Income tax benefit (expense)	610	1,878
Income before equity in undistributed earnings of subsidiaries	53,413	29,754
Equity in undistributed earnings of subsidiaries	54,665	69,396
Net income	**$ 108,078**	**$ 99,150**

Pro Forma Merger Adjustments (Parent Only)

Webster & Sterling
March 31, 2021

Pro Forma Merger Adjustments (Parent Only)

Webster & Sterling
March 31, 2021

Pro Forma Merger Adjustments (Parent Only)

Webster & Sterling
March 31, 2021

Webster Bank®

Public Exhibit 10

WFC/Webster Bank Enterprise Risk Management Framework Overview

WFC/Webster Bank Enterprise Risk Management Framework Overview

WFC maintains a comprehensive Enterprise Risk Management Framework with a defined Enterprise Risk Management Framework that provides a structured approach for identifying, assessing and managing risks across the enterprise. These risks include: strategic, credit, financial (market, liquidity and capital), information, operations, compliance, legal, and reputational risks. The Enterprise Risk Management Framework enables the aggregation of risk across the enterprise and ensures WFC has the tools, programs and processes in place to support informed decision making to anticipate risks and to maintain WFC's risk profile consistent with its risk appetite.

The Enterprise Risk Management Framework includes a Risk Appetite Statement approved by the WFC Board of Directors. To support the Risk Appetite Statement, WFC uses board- and business-level scorecards with defined risk tolerances that establish the level of risk that WFC is willing to accept. The WFC Risk Appetite Statement is reviewed and approved annually by its Board of Directors to ensure continued alignment of the risk appetite with WFC's strategic and financial plan.

Three-Lines-of-Defense Model

As part of WFC's strong risk culture, WFC promotes proactive risk management by all employees and clear ownership and accountability across three lines of defense, which enables effective and credible challenge, as needed.

- **First Line of Defense -** The first line of defense are the employees in the lines of business, and they have responsibility for identifying, managing and owning the risks in their businesses. In addition, the first line of defense includes support functions that provide information technology, operations, servicing, processing or other support.
- **Second Line of Defense –** The second line of defense is comprised of various independent risk management, compliance and control functions, which are responsible for providing guidance, oversight and challenge to the first line of defense.
- **Third Line of Defence –** The third line of defense is comprised of Internal Audit and Credit Risk Review, which report directly to the chairs of the board-level Audit Committee and Risk Committee of the WFC Board of Directors, respectively. Through review and testing, Internal Audit helps ensure that appropriate risk management controls, processes and systems are in place and functioning effectively.

Major Risk Areas

More information about the major risk management areas at WFC are provided below:

Strategic Risk. Strategic risk represents the risk of ineffective strategy selection and execution. WFC maintains a comprehensive and continuous strategic review process that informs the company's long-range plan. WFC's long-range plan is developed by the Operating

Management Committee, which is comprised of WFC's executive officers, addresses strategic risks and is aligned with the company's risk appetite, capital plan and liquidity requirements.

The WFC Board of Directors reviews the impact of strategic choices on the risk profile and opines on the long-range plan. Executive management of WFC executes the long-range plan within the established performance parameters, monitors execution of the plan and updates the Board of Directors on the execution progress throughout the year. The Board of Directors reviews and approves key strategic actions, including mergers or acquisitions and partnerships with key strategic partners. At the business level, processes are in place to understand the strategic risk impact of new, expanded or modified products and services and to provide appropriate levels of review and approval for such actions.

Credit Risk. Credit risk represents the risk of a consumer or commercial borrower, issuer or counterparty failing to meet its contractual obligations under a loan, security or derivative agreement. WFC manages and controls credit risk in its loan, investment and derivative portfolios through established underwriting practices, adherence to standards and use of portfolio and transaction monitoring tools and processes. Credit policies and underwriting guidelines provide limits on exposure and establish other standards that are necessary and prudent. Approval and reporting requirements are implemented to ensure proper risk identification, decision rationale, risk ratings and disclosure of policy exceptions.

Credit risk management activities are overseen by the Chief Credit Officer, who reports to the Chief Risk Officer. The Chief Credit Officer and team of credit executives are independent of the loan production and treasury functions. This credit risk management function oversees the underwriting, approval, portfolio management and troubled asset processes, and establishes and ensures adherence to credit policies.

The executive-level Credit Risk Management Committee (the "CRMC") meets regularly to review key credit risk topics, issues and policies. The CRMC also reviews WFC's credit risk scorecard, which covers key risk indicators and limits established of part of WFC's risk appetite framework. The CRMC is chaired by the Chief Credit Officer and includes executives and senior managers from the first and second lines of defense. Important findings on credit quality and trends within the loan and investment portfolio are regularly reported to the ERMC and the Risk Committee of the Board of Directors.

Market, Liquidity and Capital Risks. Market risk refers to the risk of loss arising from adverse changes in interest rates, foreign currency exchange rates, and commodity, equity and other market rates. WFC's primary market risk exposure arises from changes in interest rates, and WFC aims to maintain interest rate exposure within established limits.

Liquidity risk refers to the ability to meet a demand for funds by converting assets into cash or cash equivalents and borrowing money at an acceptable cost. WFC aims to maintain sufficient liquidity to meet day-to-day and longer term cash flow requirements of its customers.

Capital risk is the risk of having insufficient capital to pursue the bank's business objectives in a normal or stressed environment. WFC aims to maintain sufficient capital to support its business objectives and risk appetite, including during stressed environments.

Market, liquidity and capital risks are managed under the supervision of the WFC Treasurer, who reports to the Chief Financial Officer. As part of its risk management governance, WFC has an established Asset/Liability Committee ("ALCO") that meets regularly to review key market, liquidity and capital risk topics and reviews policies, key risk indicators and limits established as part of WFC's risk appetite framework. The ALCO is chaired by the Treasurer and includes the Chief Executive Officer, the Chief Financial Officer, the Chief Risk Officer, and other key executives and senior managers. The ALCO regularly reports its findings to the ERMC and to the Risk Committee of the Board of Directors.

Information Security and Technology Risk. The use of technology to store and process information and an increasing use of mobile devices and cloud technologies to conduct financial transactions exposes WFC and others in the industry to the risk of potential operational disruption or information security incidents. Such risks arise from deliberate or accidental acts by employees, external parties, technology failure, third-party security practices and environmental factors.

WFC is committed to detecting, preventing and promptly responding to any incident that may impact the confidentiality, integrity and availability of information assets. WFC has established a comprehensive information security and technology program under the direction of the Chief Information Security Officer. WFC's information technology risk function is responsible for the technology risk framework and associated policies, procedures and processes. Oversight of both the information security and information technology risk programs is provided by the management – level Information Risk Committee, which is chaired by the Director of Information Technology Risk. The Information Risk Committee regularly reports its finding to the ERMC as well as to the Risk Committee of the Board of Directors.

Operational Risk. Operational risk represents the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The Operational Risk function at WFC is responsible for establishing processes and tools to identify, manage and aggregate operational risk across the organization, providing guidance and advice on operational risk matters, and educating the organization on operational risks.

WFC's Operational Risk Management Committee is comprised of senior risk officers and senior managers responsible for operational risk management across the company. The Operational Risk Management Committee periodically reviews WFC's operational programs, as well as key operational risk trends, issues and mitigation activities. The Director of Enterprise and Operational Risk Management, who chairs the Operational Risk Management Committee, is responsible for overseeing the development and implementation of WFC's operational risk management framework. The Operational Risk Management Committee regularly reports its findings to the ERMC and the board-level Risk Committee.

Compliance Risk. Compliance risk represents the risk of non-adherence to applicable laws and regulations, including fines, penalties and reputational damage. The Director of Corporate Compliance, who chairs the Regulatory Oversight Committee, and the Financial Crimes Officer are responsible for overseeing the development and implementation of WFC's compliance and fraud risk management programs. WFC has implemented specific programs and functions to manage the risks associate with legal and regulatory requirements, suppliers and other third parties, information security, business disruption, fraud, analytical and forecasting modes, and new products and services.

Legal and Reputational Risks. Legal risk represents financial or reputational exposure resulting from litigation initiated by WFC or a third party and the risk that WFC's governance structure is inadequate to facilitate oversight of company activities to ensure alignment with regulatory guidelines and stakeholder expectations. The General Counsel chairs the Litigation Risk Management Committee, which is comprised of executive officers and key senior managers, and oversees all aspects of legal risk, including the review of material pending litigation, litigation-related standards and procedures, emerging trends in ligation and developments in the law relating to WFC's conduct of business. The Litigation Risk Management Committee regularly reports its findings to the ERMC and the Risk Committee of the Board of Directors.

Reputational risk represents the risk of negative public and/or market perception of internal conduct or business practices. Reputational risk management is a collective effort of the entire organization that crosses department and functions. All WFC employees are guided by the corporate values to exercise sound, legal judgment and common sense in making decisions, taking into consideration the impact of such decisions on customers and all other stakeholders. Employees are incentivized to behave ethically and promptly escalate perceived issues. The Risk Committee provides oversight of reputational risks arising from WFC business activities.

Oversight, Management and Reporting Roles

- **Risk Committee –** The Risk Committee of the WFC Board of Directors, which is comprised of independent directors, oversees WFC's risk management activities and provides input and guidance to the Board of Directors and executive management team on risk-related matters.
- **Enterprise Risk Management Committee –** WFC formed the ERMC to support the design and execution of WFC's Enterprise Risk Management Program. The ERMC is chaired by the Chief Risk Officer and comprised of WFC's executive officers and senior risk officers, and reports its finding to the Risk Committee of WFC's Board of Directors.
- **Chief Executive Officer –** The Chief Executive Officer of WFC has ultimate responsibility for ensuring that the risk profile of WFC remains within the company's risk appetite and for execution of the risk management framework.
- **Chief Risk Officer –** The WFC Chief Risk Officer is responsible for establishing and maintaining WFC's Enterprise Risk Management Framework and directly overseeing the credit risk, operational and compliance risk oversight programs. For compliance matters, the Financial Crimes Officer, who reports to the Chief Risk Officer, is responsible for managing compliance risks related to the Bank Secrecy Act, anti-money laundering law

and Office of Foreign Assets Control sanctions, as well as fraud risks. The Director of Corporate Compliance, who reports to the Chief Risk Officer, is responsible for managing risks related to CRA and consumer compliance, among other compliance areas.

- **Chief Financial Officer –** WFC's Chief Financial Officer is responsible for overseeing market, liquidity and capital risk management activities.
- **Chief Information Officer –** The WFC Chief Information Officer is responsible for overseeing information security and technology risk programs.
- **General Counsel -** The WFC General Counsel is responsible for overseeing legal risk activities.
- **Internal Audit –** Internal Audit provides independent, objective assurance and advisory services by applying a risk-based approach to test and evaluate the design and operating effectiveness of applicable internal controls throughout WFC. Internal Audit's evaluation function provides a systematic and disciplined approach to enhancing the effectiveness of WFC's governance, risk management and internal control processes. Results of Internal Audit reviews are reported to management and the Audit Committee of the Board of Directors, and corrective measures are monitored to ensure risk issues are appropriately mitigated or resolved. The Chief Audit Executive reports functionally to the Audit Committee and administratively to the Chief Executive Officer.

Public Exhibit 11

Sterling Bancorp/Sterling Bank Enterprise Risk Management Framework Overview

Sterling Bancorp/Sterling Bank Enterprise Risk Management Framework Overview

Sterling Bancorp and Sterling National Bank (collectively the "Company") maintain a formal Enterprise Risk Management ("ERM") Program that establishes the ERM framework by which the Company identifies, assesses, measures, monitors, reports and controls risk across the organization and ensures the Board of Directors and management remain properly informed about and engaged in ERM. The Board of Directors and executive management of the Company view risk management across all dimensions of the Company as a fundamental discipline of operations.

The ERM Program is overseen by the Chief Risk Officer, who is a member of the executive leadership team with direct access to the Enterprise Risk Committee of the Board of Directors. At the executive level, the Management Enterprise Risk Committee (the "MERC") and 10 risk sub-committees operate to assess, categorize and delegate risk mitigation actions. The 10 risk sub-committees include: Asset & Liability Committee ("ALCO"), Credit Risk, Technology Services Governance, Data Governance, BSA Oversight, Compliance, CRA, Operational Risk, Stress Testing Steering and Product Steering. Each of these risk sub-committees are comprised of executive and senior-level managers with (i) in-depth knowledge of the Company and its strategic and operating objectives and/or (ii) specialized knowledge in accounting and finance, law, lending, marketing, regulatory compliance or technology.

ERM Framework. The Company ERM Framework includes:

- **Risk Culture** – the underlying corporate values and behavior systems that are sensitive to, competent in, and place a high value on strong risk measurement and management accountability. The Company's Board of Directors and management support a strong culture that extends across the organization and business lines, covering all relevant risks and supported by open and transparent communication with management, the Board of Directors and regulators.
- **Risk Governance** – the formal structure for overseeing risks and creating clear lines of accountability, along with documentation of actions.
- **Risk Management Framework** – the business processes designed to identify, assess, measure, monitor, report and control types of risk.
- **Risk Measurement and Reporting** – the hierarchy used in tracking and aggregating key risk indicators ("KRIs") and key performance indicators and tolerances and reporting the result to management and the Board of Directors.
- **Risk Appetite** – a Board-approved statement of the level of risk the Company is willing to take in pursuit of value or to achieve strategic objectives. This includes quantitative thresholds that are reinforced through qualitative risk management expectations.

The objectives of the Company's ERM framework include:

- Maintain a risk governance structure at the Board and management levels that ensures identification, measurement, management and reporting of all material risks along with effective escalation of material issues and risk response strategies.

- Promote a strong corporate control and risk culture that includes a thorough understanding of the Company's Risk Appetite, along with clear roles, responsibilities and accountabilities for the ownership and management of risks.
- Ensure that the Company operates in a safe and sound manner in compliance with legal requirements and exceeds minimum regulatory expectations.
- Ensure effective, proactive management for each of the major risk categories along with anticipation and management of material risk interdependencies.
- Ensure that a strong risk control infrastructure supports effective management of risks and consistency tin the management of risks.
- Allocate Company resources appropriately for managing risks.
- Ensure the Company's risk profile is managed consistently with its Strategic Plan.
- Improve financial performance by effectively allocating and deploying capital and reducing losses.

Primary Risk Domains. The Company monitors and manages risk across the eight primary risk domains enumerated below. Some of these risks are not mutually exclusive and can have both external and internal drivers that overlap and impact more than one area of the Company's business.

1. **Credit Risk –** This is the risk to current or projected financial condition and resilience arising from an obligor's failure to meet the terms of any contract with the Company or otherwise perform as agreed. Credit risk is present in all activities in which settlement or repayment depends on counterparty, issuer or borrower performance. It exists any time Company funds are extended, committed, invested or otherwise exposed through actual or implied contractual agreements, whether reflected on or off the balance sheet
2. **Interest Rate Risk ("IRR") –** This is the risk to current or projected financial condition and resilience arising from movements in interest rates. IRR results from: differences between the timing of rate changes and the timing of cash flows (repricing risk); changing rate relationships among differences in the behavior of lending and funding rates, different yield curves affecting Company activities (basis risk); changing rate relationships across the spectrum of maturities (yield curve risk); and interest-related options embedded in banking products (options risk).
3. **Liquidity Risk –** This is the risk to current or projected financial condition and resilience arising from an inability to meet obligations when they come due. Liquidity Risk includes the inability to access funding sources or manage fluctuations in funding levels. It also results from the failure to recognize or address changes in market conditions that affect the Company's ability to liquidate assets quickly with minimal loss in value.
4. **Price (or Market) Risk –** This is risk to current or projected financial condition and resilience arising from changes in the value of either trading portfolios or other obligations that are entered into as part of distributing risk. Price Risk also arises from the Company's activities whose value changes are reflected in the income statement, such as in lending pipelines, loans for sale, other real estate owned and mortgage servicing rights.
5. **Operational Risk –** This is risk to current or project financial condition and resilience arising from inadequate or failed internal processes or systems, human errors or misconduct, or adverse external events. Operational losses result from: internal fraud;

external fraud; inadequate or inappropriate employment practices and workplace safety failure to meet professional obligations involving customers, products and business practices; damage to physical assets; business disruption and systems failures; and failures in execution, delivery and process management.

6. **Compliance/Regulatory/Legal Risk –** This is risk to current or projected financial condition and resilience arising from violations of laws, rules or regulations, or from nonconformance with prescribed practices, internal policies and procedures, or ethical standards. Such risk exposes the Company to fines, civil money penalties, payment of damages and the voiding of contracts, and can also result in diminished reputation, reduced corporate value in equity, limited business opportunities and lessened expansion potential.
7. **Strategic Risk –** This is risk to current or projected financial condition and resilience arising from adverse, unsafe or unsound business decisions, poor implementation of business decisions, or lack of responsiveness to changes in the banking industry and operating environment. Such risk is a function of the Company's strategic goals, business strategies, resources and quality of implementation. The resources needed to carry out business strategies include communication channels, operating systems, delivery networks, and managerial capacities and capabilities.
8. **Reputational Risk –** This is risk to current or projected financial condition and resilience arising from negative public opinion. Such risk may impair the Company's competitiveness by adversely affecting its ability to continue servicing existing relationships or establish new relationships. Reputational risk is inherent in all bank activities and, therefore, requires management and employees to exercise an abundance of caution in their dealings with customers, vendors, strategic partners, correspondents, investors, strategic partners and the community.

Three Lines of Defense: The Company employs the three-lines-of-defense model in its ERM Program, which clarifies general roles and responsibilities of all Company colleagues relative to the management of risk and provides a framework supporting the integrity of information escalated to both the Enterprise Risk Committee and the MERC

- **First Line of Defense ("1LOD"):** The lines of business serve as the 1LOD, They own their risk and are ultimately responsible for managing their risks. Business unit leaders are responsible for establishing unit policies, procedures and controls, and they are accountable for monitoring, enforcing, escalating and remediating risk breaches.
- **Second Line of Defense ("2LOD"):** The independent ERM department serves as the 2LOD and is responsible for setting minimum controls and methodologies to identify and manage risks within the Lines of Business, ERM works independently to identify risks within the Lines of Business, as well as to establish and maintain the Company's overall risk management strategies, policies and risk appetite.
- **Third Line of Defense ("3LOD"):** Internal Audit serves as the independent 3LOD, and continuously assesses the effectiveness of the internal controls within the Lines of Business and enterprise risk functions. Internal Audit has an independent reporting line to the Board of Directors' Audit Committee and promptly communicates significant issues to the Chief Executive Officer and the Chief Risk Officer.

<u>Risk Measurement and Monitoring</u>: Measurement and monitoring of risk is linked at all levels of the Company. The process includes the following:

- **Strategic Plan –** The Corporate Strategic Plan is approved annually by the Board of Directors.
- **Risk Appetite –** The Board of Directors approves a statement of the level of risk the Company is willing to achieve value or strategic objectives, consistent with the Strategic Plan. This includes quantitative thresholds that are reinforced through qualitative risk management expectations
- **ERM Tracking –** The ERM department conducts centralized monitoring for affected business units and tracks overall risk levels, as well as risk trending for all eight risk domains.
- **Business Unit KRIs –** Individual business units measure and monitor risk through a dashboard of KRIs, each of which has a defined tolerance. The KRIs and their tolerances are established to operate within the established corporate Risk Appetite.

<u>Oversight, Management and Reporting Roles</u>:

Board of Directors – The Company Board of Directors recognizes that it has ultimate accountability for risk management and responsibility for ensuring that the Company's risks are appropriately mitigated. Day-to-day management of risk is delegated to the Company's executive management. With specific oversight provide by the Enterprise Risk Committee and the Audit Committee, the Board of Directors' role in risk oversight includes: (1) adopting a Risk Appetite Statement and an overall Enterprise Risk Management Policy; (2) adopting a Capital Plan and establishment of capital levels to ensure the safe and sound operation of the Company: (3) either directly or through Committee action, monitoring the processes for identifying and monitoring significant risks, the aggregate risk exposures and concentrations of risk, (4) approving and monitoring acceptable levels of risk tolerance that are consistent with the Board's agreed appetite for risk; and (5) reviewing regularly received reports from members of senior management on material areas of risk.

Enterprise Risk Committee – The Enterprise Risk Committee is responsible for overseeing all aspects of the ERM Program, including formulating strategies, policies and procedures with respect to the identification, measurement, management and control of all categories of risk. In addition, the Enterprise Risk Committee oversees the Company's efforts in establishing and maintaining an effective risk culture, including appropriate risk training.

Audit Committee – As noted, the Audit Committee monitors and reviews the internal controls and ERM Framework implementation, as well as the systems for internal control, risk management, compliance with financial service legislation and regulations. The Audit Committee also is responsible for oversight of the Company's whistleblower program.

Chief Executive Officer – The Company Chief Executive Officer is responsible for ERM priorities, practices and policies as established by the Board of Directors and articulated in the Risk Appetite Statement. In addition, the CEO is responsible for ensuring that day-to-day risk management by the business unis aligns business strategies and practices with the objectives and limits established in the Risk Appetite Statement.

Chief Risk Officer – The Chief Risk Officer, as the senior risk executive of the Company, establishes the ERM Framework and communicates with other executives to define the role of managing risk and ensures relevant risk information is properly integrated in strategic business decision. In addition, the Chief Risk Officer provides appropriate risk training, at least annually, to the Board of Directors and executive management. The Chief Risk Officer also monitors risk metrics across the organization and reports to the Enterprise Risk Committee and to the Chief Executive Officer.

MERC – As an executive management-level committee, the MERC ensures that the Company continue to meet its stated objectives through the identification, monitoring and management of risk within the Board's overall risk appetite. The MERC is responsible for developing the Company's Risk Appetite Statement and risk tolerances for approval by the Enterprise Risk Committee.

Business Unit Heads – The Business Unit heads are responsible for ensuring that the risk priorities are aligned with all risks of their respective lines of business and that risks are managed within approved limits. They are also responsible for ensuring all colleagues assigned risk and compliance training meet targeted expectations, reporting on risk levels, escalating and communicating material risk-related issues, including root cause analysis, trends and effectiveness of control activities.

Public Exhibit 12

WFC/Webster Bank Compliance Program Overview

WFC/Webster Bank Compliance Program Overview

WFC has established a Corporate Compliance Program to help ensure compliance with all applicable laws and regulations across the enterprise. The independent Corporate Compliance Department ("Corporate Compliance") is responsible for the Compliance Program and the supporting infrastructure to help ensure compliance with applicable laws and regulations.

The Compliance Program is designed to ensure that:

- WFC's consumer compliance risks are effectively identified, assessed, monitored and controlled in conjunction with the business units, Corporate Compliance, Internal Audit and other control functions.
- WFC's Board of Directors and senior management are informed and engaged regarding significant compliance issues and resolutions plans.
- WFC's compliance culture is fostered by executive support, a reward system with meaningful consequences for noncompliance, and effective training and communications program.
- WFC's compliance goals are aligned with and support business strategies and goals.
- Regulatory requirements and expectations are achieved.
- WFC's consumer activities operate within the company's risk appetite.

The Director of Corporate Compliance at WFC, who reports to the Chief Risk Officer, is responsible for developing the Consumer Compliance Program, including policies, that are reviewed and approved annually by the WFC Board of Directors. In addition, the Director is responsible for developing and implementing the Consumer Compliance Program procedures. In addition to the Chief Risk Officer, governance and oversight are performed by the management-level Regulatory Oversight Committee and the Enterprise Risk Management Committee, as well as the board-level Risk Committee.

On an annual basis, Corporate Compliance conducts a comprehensive compliance risk assessment to determine the level of inherent and residual compliance risk associated with each applicable law and regulation at both the enterprise and business segment levels. The results of these risk assessments are used to: (1) identify and address compliance gaps and risks and (2) prioritize and allocate resources to testing, monitoring and training activities. The compliance risk assessment results are reported at least annually to business segment leadership, the executive-level Regulatory Oversight Committee and Enterprise Risk Management Committee, and the Risk Committee of the Board of Directors.

WFC views comprehensive training as essential to help ensure consumer compliance. Training needs are identified, developed and deployed as a result of risk assessment findings, new or amended laws or regulations, issue self-identification, customer complaints, testing and monitoring and third-party reviews. WFC's approach to training includes:

- Board of Directors receive annual training on the top compliance risks facing the company, such as the Bank Secrecy Act, the CRA, fair lending laws and privacy laws. Additional training is provided to the Board of Directors, as warranted or desired.

- Enterprise online compliance training is required to be taken by employees in accordance with business unit profiles and job accountabilities. Such online compliance training includes an evaluative element that must be successfully completed before training credit is granted. Corporate Compliance tracks and reports on training module completion rates to management, the Regulatory Oversight Committee, Enterprise Risk Management Committee and the Risk Committee.

- Business unit-specific training sessions augment enterprise online compliance training and, in some case, is embedded into operational procedures to address the needs of specific job functions.

- Remedial compliance training is developed and deployed by Corporate Compliance as warranted to address heightened risk or identified issues. This training is usually instructor-led and typically includes a regulatory specific component, a business unit specific component and case studies that address the root cause of the compliance risk or issue.

- Corporate or business unit communication vehicles reinforce important compliance elements and are also used to introduce emerging laws and proposed regulatory changes.

- Corporate Compliance and other risk management staff are encouraged to engage in professional development opportunities to further their compliance knowledge and expertise. They are also encouraged to pursue professional certifications and designations of proficiency in compliance risk management.

Under the WFC Compliance Program, testing and monitoring activities are performed to assess the effectiveness of compliance controls and determine whether the organizations is operating in compliance with applicable laws and regulations. Such testing and monitoring activities are organized as follows:

- **First Line of Defense ("<u>1LOD</u>") – Business Unit Quality Assurance and Monitorin**g: The 1LOD is responsible for ensuring that their processes are compliant with applicable laws and regulations, establishing internal controls and implementing quality control or monitoring mechanisms.

- **Second Line of Defense ("<u>2LOD</u>") – Corporate Compliance**: The 2LOD conducts independent testing and monitoring activities based on the results of compliance risk assessments.

- **Third Line of Defense ("3LOD") – Internal Audit**: All aspects of the compliance program are subject to Internal Audit's independent testing and validation.

  The oversight activities of Corporate Compliance includes:

- **Customer Complaint Monitoring –** WFC's compliant management system includes a complaint resolution process to ensure that customer complaints are resolved fairly, consistently and expeditiously. The process also is design to ensure that procedural and systemic issues are identified and addressed by the applicable business unit. Corporate Compliance reviews the customer complaint items to ensure that they are appropriately and timely addressed, trend and that root cause analysis is conducted and reported.

- **New Activity Engagement –** Corporate Compliance participates in the preparation and introduction of new products and services, as well as any material changes to existing products and services, to ensure that they are launched and administered in compliance with applicable laws and regulation and do not harm customers.

- **Third-Party Compliance Risk Management –** Corporate Compliance identifies, assesses and monitors compliance risk associated with third parties.

- **Marketing Reviews –** Corporate Compliance reviews marketing material to ensure that it is compliant with applicable laws and regulations and products are portrayed fairly to customers.

- **Regulatory Changes –** Corporate Compliance monitors changes to laws, regulations and regulatory guidance to ensure compliance when changes are enacted.

Under the WFC Compliance Program, compliance issues are recorded in the corporate issue tracking database in accordance with corporate risk issue management policy and procedures, including issues identified by business unit management, Corporate Compliance, the customer complaints process, Internal Audit or regulatory issues are tracked and reported until they are resolved. Periodic reports on the status of compliance issues are provided to the Regulatory Oversight Committee, the Enterprise Risk Management Committee and other executive/management-level committees (*e.g.*, the Executive CRA & Fair Lending Committee and the Consumer Protection Council, which are subcommittees of the Regulatory Oversight Committee), as well as to the Board's Risk Committee.

Public Exhibit 13

Sterling Bancorp/Sterling Bank Compliance Program Overview

Sterling Bancorp/Sterling Bank Compliance Program Overview
(Includes Consumer Compliance)

Sterling Bancorp and Sterling Bank are committed to complying with all applicable laws, regulations and guidance and has implemented a robust Compliance Management Program that is commensurate with the size, complexity and diversity of the organization. The Compliance Management Program covers, among others, compliance with the laws and regulations designed to protect consumers and prevent discrimination and require fairness in all dealings with customers ("Fair Banking"), such as the Equal Credit Opportunity Act and regulatory requirements related to unfair, deceptive and abusive acts and practices ("UDAAP"). The Compliance Management Program is bolstered by: (1) Board of Directors and management oversight and support; (2) executive management that fosters a strong culture of compliance; and (3) appropriate resource allocation and ongoing compliance training that is relevant to individual roles.

Sterling Bank's Compliance Management Program incorporates the three-lines-of-defense model, which includes:

- **First Line of Defense –** business units;
- **Second Line of Defense –** independent Compliance Department, led by the Chief Compliance Officer; and
- **Third Line of Defense –** independent Audit Department, led by the Chief Audit Officer.

Roles and Responsibilities

Compliance Committee. The Compliance Committee, which is chaired by the Chief Compliance Officer, is the key subcommittee of Sterling Bank's Management Enterprise Risk Committee(the "MERC"), which reports directly to the Enterprise Risk Committee of the Board of Directors. The Compliance Committee oversees compliance activities and assists the chief Compliance Officer in designing and implementing the Compliance Management Program.

Chief Compliance Officer and Compliance Department. The Chief Compliance Officer is the senior officer responsible for compliance with all applicable banking laws and regulations, including Fair Banking but excluding BSA/AML. Under the direction of the Chief Compliance Officer, the Compliance Department is responsible for the oversight of enterprise-wide compliance, including services provided by outside vendors. The Compliance Department is also responsible for establishing and administering key Compliance policies, including Fair Banking and privacy of customer information policies.

Fair Lending Officer. The Fair Lending Officer, who reports to the Chief Compliance Officer, is responsible for the development of procedures and operating guidelines that ensure compliance with Fair Banking laws, regulation and guidance.

Privacy Officer. The Privacy Officer is responsible for the management and oversight of Sterling Bank's Privacy Program that is designed to protect customer information in accordance with all regulatory requirements.

Key Program Requirements

- **Policies and Programs.** The Compliance Department is responsible for maintaining the approval process for all policies, programs and charters of the bank. It maintains a tracking report that summarizes all the policies, programs and charters of Sterling Bank, the responsible parties, the review date of each, and the date of approve by the applicable board-level committee or the Board of Directors itself. In addition to an annual policy review, the Compliance Department informs policy owner(s) of any applicable regulatory change that would necessitate a change to a policy and provide applicable guidance to ensure that the regulatory change is appropriately implemented.

- **Compliance Risk Assessments.** The Compliance Assurance group annually executes and enterprise-wide compliance risk assessment, using information provided by and/or gathered from sources such as business unit management, audit reports, regulatory examinations, regulatory developments and enforcement actions within the industry. Special targeted risk assessment may also be undertaken at the discretion of the Chief Compliance Officer when circumstances warrant (*e.g.*, changes in bank strategy, regulatory changes, audit or regulatory exam results, risk assessment findings, and industry developments and activity). The results of risk assessments are provided to senior management and presented to the Compliance Committee and are used to adjust the Compliance Program under a risk-based approach.

- **Monitoring and Testing.** Compliance Assurance is responsible for testing applicable laws, regulations and guidance in the business units responsible for handling Sterling Bank's products and services. A Monitoring and Testing Schedule is maintained to ensure appropriate oversight of the bank's activities related to meeting regulatory requirements. Compliance Assurance presents the Monitoring and Testing Schedule to the Compliance Committee for review and approval. Issues identified in the course of monitoring and testing are addressed with the impacted business unit, and Compliance Assurance oversees and assists in remediation activity. The Compliance Department reports and escalates issues identified during testing to the Chief Compliance Officer, the Compliance Committee and the MERC and to the Enterprise Risk Committee, as appropriate.

- **Self-Identified Compliance Issues.** The first line of defense, the business units, enter self-identified compliance issues into Sterling Bank's system of record, Logic Manager. The Compliance Risk and Governance group determines compliance applicability for these issues. For all high- and medium-rated compliance issues identified, the Compliance Assurance group validates each issues and any respective remediation for closure. The Compliance Assurance group reports the status of the self-identified compliance issues to the Compliance Committee and to the MERC and Enterprise Risk Committee, as appropriate.

- **Regulatory Change Management.** The Compliance Department is responsible for timely identification of new or amended laws and regulations, evaluation of how such changes impact Sterling Bank and implementation of such changes across the affected business units. In addition, the Compliance Department provides regulatory change updates to the Compliance Committee and, as appropriate, to the MERC and the Enterprise Risk Committee. The Compliance Department assesses pending legal and regulatory developments with Sterling Bank's Legal Department.

  In addition, the Compliance Department maintains a Regulatory Change Management tracker that identifies and summarizes applicable new or changed laws and regulations, as well as significant proposed rulemaking that is applicable to the bank's environment, products and services. When applicable regulatory changes are identified, the Compliance Department notifies the appropriate business units of the new or changed requirements. With the assistance of the Compliance Department, the business units analyze how the regulatory change impacts the bank's controls, policies and procedures and develops an action plan, including whether new controls, policies, procedures and additional training are required.

  The Compliance Department proactively ensures that regulatory changes are analyzed, planned, documented and implemented correctly as of the effective date of the change. In this regard, the Compliance Department partners with applicable business line "owners" to perform the following: (1) create an action plan that addresses internal and third party-related operational changes required: (2) create or revise bank policies, procedures any process documentation (including checklists); (3) create or revise client-facing documentation such as disclosures; (4) document and schedule system/application changes, and test logic pre-implementation; (5) revise training content, as applicable, and assign training courses to employees, which are to be completed before the regulatory change effective date; and (6) send the Compliance Advisory group to applicable areas of the bank to provide assistance, as needed.

  The action plan and documentation to support work completions, is finalized prior to the regulatory change effective date by the Compliance Risk and Governance group, the business line and the Compliance Assurance group. Related to regulatory changes, the Compliance Assurance group recommends the development of Quality Control reviews for the relevant business line and updates the Compliance Risk Assessment in a timely manner to reflect the regulatory change. After the regulatory change takes effect, the Compliance Assurance group tests applicable system changes and disclosures/notices to clients for accuracy and otherwise monitors and tests for compliance with the regulatory change.

- **New Product Development.** The Chief Compliance Officer is a member of Sterling Bank's Product Steering Committee that oversees the development of new, expanded or modified products and services to help ensure compliance with all applicable banking laws, regulations and guidance. During the new or changed products and service development process, the Chief Compliance Officer is responsible for ensuring that compliance issues are properly considered ad addressed. The Compliance Department performs and documents a Compliance Product/Service Review of all applicable laws and regulations, identifies the compliance and regulatory risks, assigns a risk rating and provides the control requirements to the product/service project manager or business owner.

- **Compliance Training.** Under Sterling Bank's Compliance Training Program, compliance training is provided for all employees, including new hires, and specific compliance training is provided based on individual job functions. Compliance training is reviewed and updated annually and as needed to incorporate current developments and changes to regulatory requirements and the Compliance Department's policies, procedures and programs. Training is developed in-house and/or in conjunction with the learning management system, BVS, and includes a combination of computer-based and instructor-led programs. The Compliance Risk and Governance group reviews and approves the content of all compliance-related training.

  The compliance training courses, assessments, attendance and completion records are maintained through BVS, which is managed by Human Resources and Learning and Development Department. Managers of employees are notified of outstanding training courses and responsible for ensuring that the employees complete the training courses.

- **Complaint Management.** The Compliance Risk and Governance group is responsible for the complaint management process as it relates to regulatory issues, including complaints received through any bank-channel, from regulatory agencies assistance or from third-party channels such as social media. The Compliance Department reviews all complaints received to determine whether there is a UDAAP, Fair Lending or any other regulatory violation and ascertain trends and patterns, and identifies issues for follow-up. In addition, the Compliance Department conducts root cause analysis. Identified issues are addressed and escalated with the impacted business unit to take the appropriate corrective action. On a quarterly basis, the Compliance Department reports the complaints to the Compliance Committee and, as appropriate, to the MERC and Enterprise Risk Committee.

- **Compliance Advisory Support.** The Compliance Risk and Governance group provides advisory support to the business units to assist them achieve compliance with bank policy and applicable, laws, regulations and regulatory guidance. The group identifies compliance risks and advises the business units on methods to mitigate identified compliance risks, and manages a dedicated internal mailbox for responding to questions and issues providing regulatory advice. As noted, the Compliance Department reviews consumer-related policies and procedures that are developed by the business units to ensure they incorporate regulatory requirement, trends and best practices.

- **Marketing Material Review.** The Compliance Risk and Governance group reviews Sterling Bank's marketing materials (including advertisements, press releases, signage, web sites, social media posts, brochures and other media) to ensure the information provided meets the bank's stands for Fair Banking and contain regulatory required disclosures (and are clear and conspicuous) or otherwise satisfy all other compliance requirements. Approvals of materials reviewed by the Compliance Department are documented.

Public Exhibit 14

WFC/Webster Bank Consumer Compliance Program Overview

WFC/Webster Bank Consumer Compliance Program Overview

WFC is fully committed to complying will all applicable laws and regulations, including consumer protection and fair lending laws (collectively, "Consumer Compliance") and regulations, as well as the CRA and its implementing regulations. WFC supports fair and responsible banking principles and is committed to offering and delivering banking products and services on a fair and equitable basis to all prospective and existing customers. In addition, WFC does not tolerate discrimination against any individual by any of its officers, employees or agents. WFC is also committed to fulfilling the CRA and meeting the needs of all its communities, including low- and moderate-income individuals and neighborhoods, which is discussed in the *Commitment to the CRA* section of the Application,.

WFC has implemented a CRA and Fair and Responsible Banking Program (the "Program") to help ensure CRA and Consumer Compliance is achieved. The Consumer Protections laws (and their implementing regulations) that are covered by the Program include, among others: The Fair Housing Act and the Equal Credit Opportunity Act (collectively, "Fair Lending"), and the unfair, deceptive or abusive acts of practices ("UDAAP") provisions of the Dodd-Frank Wall Street Reform and Consumer Protections Act and the unfair and deceptive acts or practices provisions of Section 5 of the Federal Trade Commission Act (collectively, with Fair Lending, "Fair and Responsible Banking" or "FRB").

The CRA & Fair and Responsible Banking Officer (the "CRA/FRB Officer") in Corporate Compliance is responsible for developing the Program, which is reviewed and approved annually by the WFC Board of Directors. The CRA/FRB Officer, who is appointed by the Board of Directors and reports to the Director of Corporate Compliance (discussed below), is also responsible for, among other things:

- Establishing and maintaining an effective infrastructure to support effective compliance risk management process at the corporate and line of business levels, and business line compliance plans and procedures.
- Preparing annual enterprise-wide compliance risk assessments, including CRA, UDAAP and Fair Lending Compliance Risk Assessments.
- Analyzing the impact of new or amended regulatory requirements and managing projects to implement such requirements across impacted lines of business, as needed.
- Facilitating and implementing changes to Corporate Compliance policies, line of business compliance procedures and controls in response to changes in compliance laws and regulations that affect Webster Bank's products, services and activities.
- Providing CRA, UDAAP and Fair Lending subject matter expertise in the development of new products or services and assisting in the development of recommended or required controls.
- Providing guidance and subject-matter expertise relative to regulatory matters.
- Ensuring timely and accurate regulatory reporting.

The Program includes a Fair Lending Policy and UDAAP Policy, which are incorporated throughout the organization and apply to all banking operations, including, but not limited to: marketing; product development; personal banking; consumer, small business and commercial banking; loan origination, processing and services; loan modifications; and collection activities. These policies also apply to the entire life cycle of the bank products and services, from marketing to account closure and collections, and across all channels (*e.g.*, mail, web, e-mail, print, etc.). All employees share in the responsibility of providing non-discriminatory, fair and responsible treatment to all individuals with whom they come in contact (*e.g.,* customers, prospective customers, employees, vendors).

Three Lines of Defense

The Program includes the three-line-of-defense model that WFC uses as part of its Enterprise Risk Management Program, which include:

- **First Line of Defense – the Lines of Business.** The compliance responsibilities of line of business managers to ensure compliance with the Program include, among others: (1) formulate and implement compliance procedures and controls; (2) ensure business line processes and practices promote fair and equal access to all credit and banking products and services and ensure consistent underwriting, pricing, servicing and marketing standards across Webster Bank's footprint; (3) take prompt and appropriate action to correct data integrity or performance issues identified through or by quality assurance, self-assessments, Corporate Compliance, Internal Audit or third-party compliance examinations; (4) investigate and respond to customer complaints in a timely manner; (5) promote effective communication within the business line to ensure that staff is informed of their compliance responsibilities; (6) allocate resources to monitor compliance quality assurance and testing as warranted; and (7) monitor the timely completion of all compliance training requirements.

- **Second Line of Defense – Corporate Compliance.** The CRA & Consumer Advisory Compliance Team (the "Project Management Team"), under the direction and leadership of the Corporate CRA/FRB Officer: (1) works with Corporate Compliance partners and lines of business to ensure compliance with Board-approved policies and corporate procedures; (2) reviews business line compliance procedures and processes to ensure compliance with consumer protection regulatory requirements and guidance; (3) provides timely updates in response to changes in applicable law, regulation or guidance; and (4) works with Internal Audit and examiners to ensure than any outstanding deliverables are on target for completion or resolution. The Compliance Testing Team assesses compliance with the CRA and applicable consumer protection laws and regulations, which include, but are not limited to, federal lending, deposit, investment and privacy regulations. Issues identified via testing and/or monitoring activities are recorded, tracked and reported until resolved.

- **Third Line of Defense – Internal Audit.** The Internal Audit Department is responsible for conducting independent testing to validate compliance with Program policies, procedures and related legal requirements.

Program Elements

The Program is designed to provide a framework to integrate compliance with CRA and consumer protection laws and regulations within WFC's daily operations and activities. The Program includes the following elements:

- **Commitment and Accountability –** WFC's centralized-integrated compliance structure supports the guiding principle that compliance is the responsibility of all WFC employees. All lines of business are responsible to implement, manage and direct operations that include integrated compliance processes and controls. Each line of business has primary responsibility for managing its data integrity compliance risk, with ongoing guidance, support, feedback and evaluation from Corporate Compliance. Regulatory issues may be identified through the testing and monitoring activities of the line of business, Corporate Compliance and Internal Audit. Additional monitoring and statistical analyses are routinely conducted by the CRA and Consumer Advisory Compliance Team. All identified issues or concerns are to be addressed immediately and may be subject to escalation and monitoring through resolution.

- **Risk Assessments –** As noted, the CRA and Consumer Advisory Compliance Team performs, at least annually, enterprise-wide CRA, UDAAP, Fair Lending and other regulatory risk assessments to identify and measure related risks within WFC. The results of the risk assessments are used to identify compliance risk exposure and develop appropriate controls and solutions to mitigate and manage the risk. In addition, the results are used to evaluate resource allocation needs, such as testing, monitoring, training, etc. The results of risk assessments are reported to the Regulatory Oversight Committee, the Enterprise Risk Management Committee (the "ERMC")and the board-level Risk Committee.

- **Internal Controls – Policies and Procedures; Performance Monitoring; Analysis and Reporting –** The internal controls include WFC's Board-approved policies, corporate procedures and line of business procedures that are designed to limit and control risks and achieve compliance with the CRA and consume protection regulations. Periodic analyses, conducted by the CRA and Consumer Advisory Compliance Team, inform management of CRA and Fair Lending performance, compliance and potential risks. Fair Lending analyses include reviews of the following risk factors: underwriting, pricing, redlining, marketing (including periodic analysis of calling and direct mail campaigns), steering and loss mitigation.

- **Customer Complaint Review Process –** A complaint resolution process has been established to ensure that customer complaints, including those submitted via the Office of the Comptroller of the Currency (the "OCC") and Consumer Financial Protection Bureau (the "CFPB"), are resolved fairly, consistently and expeditiously, and to ensure that procedural and systemic issues are identified and addressed by the applicable business unit. The Office of the President is responsible for managing and overseeing this process. Corporate Compliance reviews all complaints to determine if there are any regulatory implications and to ensure that they ae appropriately addressed. Regulatory complaints determined to be systemic in nature and complaints submitted by the OCC and CFPB are summarized and reported to the Regulatory Oversight Committee and the ERMC, as well as to the Risk Committee of the Board.

- **Online and Instructor-led Training –** Enterprise online compliance training is required for all new employees within prescribed timeframes from date of hire and annually thereafter. Corporate Compliance reports training results, including successful completion rates, to the Regulatory Oversight Committee, the ERMC and board-level Risk Committee and to regulatory agencies. On an annual basis, the Corporate Compliance reviews and updates the online training modules to ensure the training remains current, accurate and sufficient. Corporate Compliance may conduct supplemental instructor-led compliance training, as appropriate. In addition, line of business-specific compliance training events may be developed and managed by the line of business.

- **Regulatory Guidance and Subject Matter Expertise –** The CRA and Consumer Compliance Advisory Team, which is comprised of seasoned individuals with CRA and consumer compliance expertise, provides guidance to lines of business regarding new or amended consumer protection laws and regulations.

<u>Other Roles and Responsibilities</u>

Board of Directors: The WFC Board of Directors is responsible for oversight of all compliance management programs, including the Program. The Board of Directors or a Committee thereof annually approves policies designed to ensure continuous compliance with CRA and consumer protection laws and regulations. The Risk Committee is responsible for the annual approval of the Program and the oversight of management's compliance efforts. Interim modifications to the Program would require the review and approval of the Chief Risk Officer and General Counsel.

Executive and Senior Management: Executive and senior management are responsible for the overall management of risk within their lines of business, including Consumer Compliance. They are also responsible for: creating a culture of CRA and consumer protection compliance; participating in executive compliance committees to provide guidance and strategic direction toward achieving Program goals and initiatives; and incorporating compliance objectives into management and employee performance evaluations.

Corporate Procurement Third-Party Risk Management ("<u>Third-Party Risk Management</u>"): Third-Party Risk Management has overall responsibility for developing and maintaining Webster Bank's third-party risk management program. Corporate Compliance identifies, assesses and monitors compliance risks associated with third parties.

Regulatory Oversight Committee: The Regulatory Oversight Committee, chaired by the Director of Corporate Compliance, is responsible for overseeing Webster Bank's compliance with applicable laws and regulations, including, but not limited to the following: Bank Secrecy Act and related anti-money laundering rules, CRA and Fair and Responsible Banking laws and regulation, lending laws and regulations, privacy laws and regulations, deposit laws and regulations, and investment laws and regulations.

Executive CRA & Fair and Responsible Banking Committee (the "CRA/FRB Committee"): The CRA/FRB Committee, which is comprised of key executives representing various lines of business, meet on a quarterly basis to review the overall state of CRA/FRB compliance and discuss regulatory changes and emerging trends.

Director of Corporate Compliance: The Director of Corporate Compliance is responsible for managing regulatory compliance risk at the enterprise level, including the development, implementation and management of WFC's Compliance Program. The Director of Corporate Compliance is responsible for reporting of the effectiveness of compliance risk management, including for Consumer Compliance, to the Risk Committee of the Board of Directors. As noted, the CRA/FRB Officer reports to the Director of Corporate Compliance.

Public Exhibit 15

WFC Environmental, Social Responsibility and Governance Report 2020

WebsterBank®

WEBSTER FINANCIAL CORPORATION

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2020

A Letter from **THE CHAIRMAN, PRESIDENT AND CEO**

Dear Shareholders,

We marked Webster's 85th anniversary in 2020, a milestone for the bank in a year that brought unprecedented challenges for our organization and our country. I am proud of what we achieved, but even more proud of our bankers, who supported our customers and communities while navigating through a global pandemic.

This is our fourth annual Environmental, Social and Governance (ESG) Report and, in addition to highlighting our ongoing dedication to sustainability, equity and transparency, the Report details our pandemic responses as we supported our communities in meaningful ways.

In our regular course of business, we increased commercial lending for renewable and clean energy projects throughout the markets we serve. We also improved our internal efforts to increase energy efficiency and reduce our carbon footprint. This includes our multi-year cloud migration project focused on bringing value to our employees and customers, while reducing costs and having a long-term positive impact on the environment.

> **Throughout the pandemic, we prioritized the safety of our bankers and customers.**

In 2020 we increased our philanthropy and Community Reinvestment Act (CRA) activities, and sponsored organizations that strengthen the well-being of our cities and towns. We responded to the tremendous demand for basic human needs by expanding our outreach to support distribution of medical supplies, food deliveries and telehealth services. In addition, our values-based bankers pivoted their volunteer efforts to virtual programs, including online mentoring and financial literacy training. At the same time, through our Employee Volunteer Recognition Grant program, we supported more than 200 non-profit organizations selected by our bankers.

> **Our ESG efforts are integral to the way we do business.**

Beyond those additional societal resources for COVID-19 relief, we offered our employees flexible work hours and interest-free hardship loans. For our customers, we developed mortgage forbearance, loan modification, fee waiver and payment deferral programs.

While we had to work differently during this extraordinary year, we continued to earn the highest recognition from our primary regulator. We're proud to have received an "Outstanding" Community Reinvestment Act rating from the Office of the Comptroller of the Currency for a second time. This rating, the highest possible, reflects the way we manage our business, and exemplifies our priority of promoting community reinvestment and ensure fair and responsible banking.

We hired a new diversity, equity and inclusion (DE&I) officer, and as an organization we focused on social equity and justice, creating educational and awareness programs where bankers were able to engage in constructive dialogue. We also began work on a holistic roadmap to continue building our DE&I program to make positive change both within and outside our organization. This will impact everything: the way we hire and promote, how we engage with our vendors and the way we interact with our customers and our communities. While much work remains to be done, our commitment to DE&I is a demonstration of our values and mission, and we are excited to move into our next phase.

> **Our values and mission are at the forefront of everything we do.**

Our approach to corporate governance is paramount for our Board and senior management as we strive to model the highest personal and professional ethics and integrity. Webster was recognized by the Reputation Institute for being one of two banks in the country to receive an "excellent" score from customers in the governance category. This notable achievement in the areas of corporate reputation and citizenship earned Webster the distinction of being named the second most reputable bank in the country.

While much has changed in a year and there is much to look forward to, one thing has remained constant: our uncompromising commitment to our values and to serving all our stakeholders at the highest level. On behalf of the Board, I thank our bankers for their dedication and perseverance as we continue to make progress with purpose.

Sincerely,

John R. Ciulla

John R. Ciulla
Chairman, President and Chief Executive Officer

WEBSTER at a Glance

Webster®

Founded in 1935
Headquartered in Waterbury, CT

Working Together

to achieve our mission to help individuals, families and businesses achieve their financial goals

155
banking centers
from Westchester, NY to Boston, MA

22
commercial banking offices
throughout the Northeast

297
ATMs

3M
HSA accounts
A leader in healthcare accounts for two decades

The Webster Way

We take personal responsibility for meeting our customers' needs.

We respect the dignity of every individual.

We earn trust through ethical behavior.

We give of ourselves in the communities we serve.

We work together to achieve outstanding results.

2020 **AWARDS AND RECOGNITION**

In 2020, we were recognized as one of the most reputable banks in the U.S, as well as for our progress in security technology, corporate reputation, serving our customers and community citizenship efforts. This was made possible thanks to the dedication, teamwork and commitment to our values demonstrated by Webster bankers every day.

RepTrak	Named 2nd Most Reputable Bank in the U.S. by consumers
Forbes Best Banks	Listed as one of the Top 100 best publicly traded banks
Office of the Comptroller of the Currency	Earned the 'Outstanding' rating- highest possible for Community Reinvestment Act efforts
100 Most Active SBA 7(a) Lenders	Measured by lending volume for banks in the United States
SBA Lender of the Year - Connecticut	Recognized as top lender eight years in a row
#1 Call Center	Distinguished as top Customer Care Center in New England by J.D. Power
2020 Top Charitable Contributors	Ranked one of the top donors in the Boston Area
2020 Women on Boards	Named a 'W'inning company for our commitment to board diversity
CISO of the Year	Earned national recognition for Chief Information Security Officer (CISO)

WEBSTER BANK SUPPORT IN RESPONSE TO THE PANDEMIC

Consistent with our long history of supporting our customers, communities and employees in times of need, Webster is committed to providing financial flexibility to all that we serve.

Employees

WEBSTER BANKERS
transitioned to working remotely

75%

EMPLOYEE HARDSHIP LOANS
aided 400+ bankers with zero-interest loans

$1.9M

Consumers

MICRO-GRANTS
for nonprofits selected by banker volunteers

275

CUSTOMERS ASSISTED
with mortgage payment deferrals

2,400

Businesses

OFFERED
deferrals to small business loans

$362M

PPP LOANS FUNDED
Helping to save 110,000 jobs in the communities we serve

11,000+

Communities

MEALS PROVIDED
by our donations in the communities we serve

1M

CONTRIBUTED
to nonprofit and community organizations for pandemic relief efforts in our footprint

$2M

Environmental Report

With ongoing support for renewable energy and energy-efficient solutions, our efforts to protect the environment while reducing expenses resulted in a winning combination for our customers, employees, shareholders and communities.

$145.7M

in renewable energy/ energy-efficient loans

CONTINUED INNOVATION AND IMPROVEMENT

Clean Energy Loans

By financing commercial loans and with companies involved in renewable energy and energy-efficient components, we further extended our commitment to the communities we serve.

In 2020, Webster Bank created or maintained commitments for approximately $145.7 million in loans for renewable energy and energy-efficient components, primarily in Connecticut, as well as in Massachusetts, New York, Pennsylvania and Washington D.C. Of the total, more than $17.8 million funded renewable energy projects (solar and wind); nearly $106.9 million in clean energy upgrades of which $41.5 million was associated with funded LEED (silver) construction for a mixed-income, transit-oriented development; and $20.9 million was funded for loans that included environmental remediation in project plans.

Connecticut Neighborhood Assistance Act Tax Credit Program for Energy Conservation Projects

We participated in the 2020 Connecticut Department of Revenue Services Neighborhood Assistance Tax Credit Program, which earned the bank a Connecticut state tax credit for making cash investments to qualified community programs sponsored by non-profit tax-exempt organizations or municipal agencies. Our focus was on supporting energy conservation projects in residential and commercial buildings that promote energy efficiencies for properties occupied by low-income individuals.

We contributed a total of $85,805 to 11 energy conservation projects in cities and towns across the state.

Energy Savings from Remote Work

As a result of the pandemic, 75% of bankers moved to remote work and no longer commuted to Webster offices. Based on bankers' home addresses and average miles per gallon of motor vehicles, Webster estimates that this resulted in a reduction of 11,909 metric tons of CO_2 emissions. Emission reductions are expected to continue beyond the pandemic as more employees perform all or a portion of their jobs remotely.

11,909

metric tons of CO_2 emissions reduced in shift to remote work

Technology
Webster's ongoing cloud migration initiative is focused on bringing value to our employees and customers, while having a positive impact on the environment and reducing costs. In 2020, we began the second phase of our cloud initiative by establishing an infrastructure migration plan for the complete elimination of one of our two existing data centers.

By January 2022, the cloud initiative will have reduced the physical space occupied by our data centers by 75%, and we estimate that power consumption will be reduced by 75% as well. Upon completion, this initiative will have significantly reduced our overall carbon footprint, while yielding facility and infrastructure cost reductions.

Paper Usage
In 2020, the shift to remote working was facilitated by moving a significant number of processes to electronic format, including digital management of some work queues.

Our Bank Operations team processed the first loans with a mix of electronic and paper-based processes, but quickly transitioned to a fully electronic process for approximately 80% of Webster's more than 11,000 PPP loans.

With a strategic focus on paperless processing, our HSA Bank division established a cross-functional team in 2019 to promote paperless conversion. In 2020, the team's efforts resulted in a 15% reduction in paper contributions.

Additionally, HSA Bank provides online access to the majority of its forms, communications, reports and tax documents; employers can access reports on a daily, weekly, monthly or annual basis through the online Employer Administration Site. Statements are available online and only mailed by request, a process that has been in place since 2019.

Digital Banking
We offer a full slate of digital banking solutions to provide self-service options for our customers for both the Community Bank and Commercial Bank. Over 50% of consumer and small business customers are digitally active, and the majority of our commercial client base uses our online treasury platform.

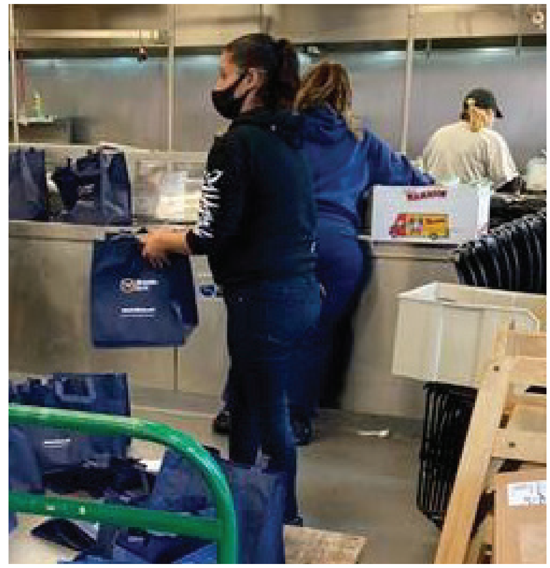
Our Community Banking division continues its efforts to deliver digital banking (online and mobile) solutions that meet customers' preferences for self-service transactions utilizing online, mobile and ATM channels.

The HSA Bank mobile app offers real-time access to health accounts, so there is no need to wait for mailed copies. Along with checking balances and viewing expenses, the app allows users to schedule HSA contributions, make payments and file claims with receipt images. The myHealth Portfolio, a self-service online dashboard, simplifies managing and tracking expenses and storing receipts.

75%

of Webster bankers moved to remote work as a result of the pandemic

Social Report



Our priority is the safety of our employees and customers. Photos of Webster bankers without masks included in this Report were taken prior to the pandemic and/or taken in banker homes.

$1.5B

in critical PPP loan funding

Paycheck Protection Program and Main Street Lending Program

Paycheck Protection Program

Webster Bank participated in the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP), successfully processing 11,350 applications between April and August 2020. The loans helped business owners secure nearly $1.5 billion in critical funding, and helped save over 110,000 jobs in the communities we serve.

Nearly 350 bankers were dedicated to support the program, and another 600 bankers volunteered their time to assist with loan processing.

The average loan in this program was approximately $125,000, while 78% of the loans were under $100,000. Approximately 10% of the loans were provided to individuals who were not previously Webster customers.

Main Street Lending

Webster Bank is a registered lender in the Main Street Lending Program, which is administered by the Federal Reserve of Boston. The Main Street Lending program is designed to provide support to small and medium-sized businesses and their employees by supporting the provision of credit and helping to maintain business operations and payroll until conditions normalize. Webster has provided four direct loans with a total commitment of 42,000,000 to eligible U.S. based businesses that have been negatively impacted by COVID-19.

Committed to the Communities We Serve

During a year that brought incredible challenges, Webster remained committed to the communities we serve. Our philanthropy budget was increased by $250,000 specifically to support COVID-19 relief efforts.

In addition to those funds, Webster distributed more than $5 million to nonprofit organizations across our footprint. That total investment includes donations made through philanthropy, contributions made through the Community Reinvestment Act (CRA), and sponsorship of organizations that help strengthen the well-being of our cities and towns with a focus on business growth to help drive economic stability.

CORPORATE GIVING STRATEGY AND PHILANTHROPY

Webster's giving strategy focuses on helping organizations deliver on their support of individuals and families in our communities to live a life with dignity while helping to build self-reliance for a better life. This couldn't have been more appropriate than during 2020 – a year of great need.

Our priorities support a broad cross-section of registered nonprofit agencies focusing on basic needs such as food and shelter, financial literacy, and health and human services.

While our funding remained focused on these needs, responding to the urgency of the pandemic was critical. Organizations that had received Webster sponsorship funding for events were faced with cancellation and postponement. We quickly reassured these partners of our continued commitment, and released the sponsorship funding for redirection to support their COVID-19 responses, including virtual mentoring, online financial literacy training, medical supply and delivery, food and basic needs, and telehealth services. That best practice, as stated by Disaster Philanthropy, became our practice throughout the year. In addition, the requirements for application or reporting were waived for organizations with which we had an existing relationship.

In a very challenging year, our funding remained strong, consistent and true to Webster's long-standing commitment of supporting the communities we serve.

COVID-19 Response – Corporate Giving

Webster remains committed to our nonprofit partners who provide direct services to vulnerable and low- and moderate-income families in the areas of health services, housing, childcare, and basic needs, specifically food scarcity. Funding critical services to support community needs remains a priority. Webster has contributed nearly $2 million to nonprofit and community organizations in our footprint, including two cycles of targeted donations for urgent basic needs and disaster response, equity and economic inclusion, and virtual learning and mentoring

Urgent Basic Needs and Disaster Response

With renewed funding in 2020, Webster provided grants to all Feeding America Regional Food Banks across the Webster footprint. Given the urgent needs in the pandemic, we distributed funding earlier in the year. Our focus on basic needs, with a dedication to making sure no one goes hungry, was at the forefront of this funding, and we were able to provide more than one million meals to our communities.

Funding for our American Red Cross partners in Connecticut, Massachusetts, Rhode Island and Wisconsin included two grant cycles in support of both COVID-19 relief and disaster relief. The COVID-19 relief funding supported technical infrastructure and changes to volunteer operations for urgent blood services. Webster also used internal communications channels to cascade an employee call to action for blood donations, following all safety and social distancing protocols.

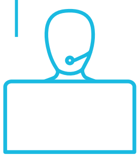
Support for United Way COVID-19 Response Funds included the Connecticut statewide fund, United Way of Rhode Island, United Way of Massachusetts Bay, United Way of Westchester and Putnam County, United Way of Greater Milwaukee and United Way of Sheboygan County. A second distribution, made as part of Webster's Frontline Heroes Program, expanded to include United Way COVID-19 Relief Funds in Fall River, New Bedford, and Plymouth, Massachusetts.

Equity and Economic Inclusion

Webster expanded partnerships and funding focusing on equity and economic inclusion in 2020. These efforts included a $100,000 grant to support the new Connecticut Women's Business Development Council (WBDC) Equity Match Grant Program. Webster is a founding donor of the WBDC microgrant program, which was established to promote the economic prosperity of women and minority entrepreneurs. The pandemic has caused economic challenges, especially for women-owned and minority-owned small businesses. This new microgrant program, managed by WBDC, is geared toward its clients who are women-owned and minority-owned small businesses throughout Connecticut. Funding will be used for working capital, with preference given to clients who have been negatively impacted by the COVID-19 pandemic or meet low to moderate-income requirements.

In addition to this focus on small business ownership, with a heightened sensitivity and response to the Black Lives Matter and racial injustice rising throughout the country, Webster donated a total of $100,000 to address social injustice and racial equity efforts.

We made a $75,000 donation to the Equal Justice Initiative, a national human rights organization that advocates for criminal justice reform and racial justice. In addition, we donated $25,000 to RE-Center Race & Equity in Education, based in Hartford, Connecticut. RE-Center will use our donation to work collaboratively with the Hartford Public Schools in developing a Peer-to-Peer program and toolkit to address the impacts of racial inequity on student mental health.



Nearly 1,000 Webster banker volunteers have taught 15,000 Junior Achievement students over the years

We also made a $10,000 donation to the YMCA of Southeast Wisconsin to support their mission of eliminating racism and empowering women.

We remain committed to the Working Cities Challenge, a competitive grant program sponsored by the Federal Reserve Bank of Boston. The five winning cities in Connecticut, now in their third year of funding, were all faced with adjusting their focus during the pandemic. Given a deadline extension, the cities redirected their work to provide immediate assistance to their communities and reported strong overall results, thanks to the new collaborative partnerships that were developed in response to the pandemic.

Virtual Learning and Mentoring

When the coronavirus pandemic hit, we immediately expanded our 20-year relationship with The Governor's Prevention Partnership (GPP), a Connecticut organization that works with schools, mentoring organizations and communities to foster mentor-mentee relationships and anti-bullying efforts. We redirected our annual $25,000 donation toward creating a new GPP program to train mentors in working in the virtual setting. This training enabled our mentors, and those from other organizations working with the GPP, to launch their online sessions with hundreds of students in the spring. Webster's support funded training for 320 mentoring professionals and groups who work with students in 127 communities across the state.

Webster has a long history of supporting Junior Achievement (JA) and its efforts to deliver K-12 programs that foster work readiness, financial literacy skills and entrepreneurship.

Throughout 2020, we worked with our JA partners to provide funding and expertise, helping to create opportunities such as a virtual career panel for high school students. Led by the education manager of specialty programs for JA of Southwest New England, the panel included Webster bankers in the areas of strategy, human resources and risk management. The group discussed life after high school, career readiness, and tips for preparing for a new post-shelter-in-place landscape that will likely include similar virtual interviews and pre-employment sessions. The panel was recorded and made available to partner high schools.

Webster bankers also participated in conducting mock interviews for students who were learning remotely, and shared their skills and experiences on ad hoc committees led by our JA partners as they reinvented programs and activities for the 2020-2021 school year.

Over the years, Webster has provided funding, leadership and nearly 1,000 banker volunteers who have taught 15,000 Junior Achievement students. Senior Webster officers serve on all six JA boards throughout our footprint. This established relationship and leadership was critical in responding to the moment.

Financial Empowerment Program

With continued attention to the financial literacy of our neighbors and the importance of playing a role in building that capacity, we renewed the Financial Empowerment Program for a third year. The program provides grants to nonprofit organizations at the forefront of addressing financial literacy for low- to moderate-income residents in their communities.

Working closely with our CRA and Community Development officers, grants were made in each Metropolitan Statistical Area (MSA). We offered support and funding for the agencies that moved to a virtual environment to continue to expand program offerings.

Harold Webster Smith Foundation

In addition to engaging in direct philanthropy, Webster provides funding and in-kind support to the Harold Webster Smith Foundation (HWSF), established in memory of our founder, who was a long-time advocate for the city of Waterbury, Connecticut. The HWSF makes grants in support of activities, particularly in the Waterbury region, that improve and promote economic development and community health; stabilize and revitalize low- to moderate-income communities, with a particular focus on local housing initiatives; provide community services targeted to low- to moderate-income individuals; and ensure the future prosperity of, and contribute to the economic well-being of the communities Webster serves, with special attention to the greater Waterbury region.

Webster's annual grant of $250,000 has helped the HWSF realize its potential as a catalyst for economic and social development.

In addition, the HWSF remained focused on funding the Connecticut Vibrant Communities Coalition under the stewardship of Local Initiatives Support Corporation-Connecticut.. This effort has brought together leaders from across Connecticut to help establish city land banks, providing best practices and shared learning.

COMMUNITY SERVICE: FOSTERING GOOD CORPORATE CITIZENSHIP

As evidenced by the estimated 100,000 hours volunteered by our bankers annually, community service is a core Webster value. Webster provides bankers with two paid volunteer days to use at the organization of their choice, and our bankers are encouraged to volunteer their time where they live and work.

Volunteering opportunities turn virtual

Webster has always had a strong volunteer spirit, but the pandemic presented challenges to our many regularly scheduled volunteering opportunities. Keeping bankers safe was our first priority, and Webster acted quickly to support nonprofits as they moved their programs to a virtual setting.

In collaboration with community partners across our footprint, Webster bankers participated in a range of activities, from virtual food drives and letter writing campaigns to mask donations and virtual fundraising walks, safely maintaining their commitment to volunteerism in an unprecedented year.

Volunteer Recognition Grant Program

Now in its second year, our Volunteer Recognition Grant Program gives bankers the opportunity to apply for micro-grants, ranging from $100 to $250, to benefit qualified nonprofits where they volunteer. In 2020, 275 Webster bankers reported more than 26,137 hours volunteering for 231 organizations across 108 towns and cities in 12 states. Due to the overwhelming positive response, this program is continuing in 2021.

Mentoring

Webster's nationally-recognized mentoring program began as a pilot in 2002 with nine bankers. Today, it has grown to include more than 100 mentors and adheres to MENTOR (National Mentoring Partnership) quality standards. All Webster mentors receive one hour of paid time each week during the school year to fulfill their mentoring commitments. A team of cross-functional Webster bankers leads the school-based program, providing leadership around recruitment, orientation and training.

Webster bankers who mentor pledge at least one hour of volunteer time each week during the school year. All bankers are paid for that weekly hour of service, but many mentors go above and beyond, preparing for their meetings and making sure they are 'on call' for their students throughout the school year.

United Way

We pivoted to deliver on our commitment to United Way as Webster's primary charity, as we conducted our 2020 United Way Employee Campaign completely online. This new approach enabled the campaign to raise more than $1.7 million through banker pledges, a fundraising initiative and a corporate match.

Given that many bankers were in a remote work environment, a new virtual fundraiser was created to help build engagement: "Webster Walks for United Way – Walking for Good." The fundraiser encouraged all bankers, whether working from home or the office, to get out and walk, run, ride or be with family and friends while following local safety and social distancing guidelines.

The 2020 campaign resulted in substantial support for nonprofit organizations across the country, serving more than 70 United Ways and hundreds of nonprofit organizations in 33 states. Our bankers also volunteer significant amounts of time to Webster's United Way Employee Campaign, Stock the Food Pantry (also virtual), United Way boards and Allocation Committees.

COMMUNITY REINVESTMENT ACT (CRA)

Webster is committed to meeting the banking and credit needs of the communities in which we do business. We believe that helping to meet these needs, particularly for low- and moderate-income (LMI) individuals, as well as consumers and businesses in LMI areas, is essential to the continued growth and vitality of our communities and our company. All Webster bankers share in the responsibility to support our mission to make banking and credit services available to all prospective and existing customers on a fair and consistent basis throughout our footprint.

In 2020, Webster Bank, N.A. again received an "Outstanding" rating, the highest possible, on our CRA performance evaluation. This rating was given by our primary regulator, the Office of the Comptroller of the Currency (OCC), which charters, regulates and supervises all national banks and federal savings associations. The OCC acknowledged our high performance in these key areas:

- Excellent overall lending activity in all rating areas, reflecting responsiveness and penetration given the highly competitive markets
- Very good distribution of home mortgage lending to customers of varied income levels and businesses of all sizes
- Originated a significant number of loans using innovative and flexible lending products, mainly through government programs, for consumers and small businesses
- Overall outstanding performance in community development investments and grants that were responsive to affordable housing needs, and demonstrated good responsiveness to credit and community economic development

The Outstanding CRA rating is a result of the dedicated efforts of our bankers, and symbolizes the way we operate our business, deliver for our customers and support the communities where we live and work. This recognition is a testament to our enduring Webster values and sets us apart competitively in the marketplace.

Commitment to building strong communities through community reinvestment

As part of our commitment to promote community reinvestment and ensure fair and responsible banking, the Webster Executive CRA & Fair Lending Committee was established in 2005. Comprised of senior management representing all major areas of the bank, the Committee is responsible for providing leadership, strategic guidance and support to our Corporate CRA & Fair Lending Programs. Webster provided more than $54.6 million in community development financing through December 31, 2020.

In 2020, Webster supported 24 nonprofit community development organizations, with 17 bankers actively serving on boards and development, fund raising and other committees, providing these organizations with technical assistance and financial expertise to further promote and achieve their mission.

In-person Community Development educational activities were greatly reduced in 2020 due to COVID-19 restrictions. Through December 31, 2020, bankers conducted 15 educational workshops, including financial literacy, first-time

$17.5M

IN LOANS AND EQUITY INVESTMENTS

for regional CDFIs

homebuying, and the Webster-branded Bank Power program seminars, reaching 496 attendees. In addition, our bankers periodically conducted fraud prevention training sessions for individuals and businesses, as well as elder financial abuse seminars.

Revitalize low- to moderate-income communities

Our CRA investment strategy is to be responsive to our communities, and to make safe and sound investments. In 2020, Webster invested more than $444.4 million to support local community development efforts, the majority of which were affordable housing initiatives that have been identified as a critical need across our footprint.

Our 2020 CRA investments also included 43 CRA/Community Development Grants, totaling $350,000, which were awarded to local nonprofit organizations providing much-needed services to LMI individuals and families, and promoting economic development and the revitalization of our communities.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

Community development financial institutions (CDFIs) are private financial institutions that are dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream.

In 2020, due in part to the pandemic, economic downturn and social protest movements, there was an increased CDFI focus on promoting social, racial and economic equality, especially in lower-income minority-population communities.

Webster's ongoing financial and volunteer support of the country's largest CDFI, Local Initiatives Support Corporation (both the LISC National Office and regional New England Offices) was a prime example of our commitment to strengthening CDFIs during this most challenging year.

In 2020, we made or maintained commitments for approximately $17.5 million in loans and equity investments for both Connecticut statewide and Southern New England regional CDFIs. Of the total, approximately $7.6 million funded CDFIs providing capital to developers of affordable housing; $3.9 million to CDFIs providing capital to small businesses (especially women- and minority-owned businesses located in low- and moderate-income census tracts); and $6 million to a CDFI providing capital to three Rhode Island Charter Schools serving children in grades K-12 from low-and moderate-income households.

49 languages supported by Webster assistance program

MEETING THE NEEDS OF OUR DIVERSE CUSTOMERS AND COMMUNITIES

To address the needs of a diverse customer base and promote access to mainstream banking, we offer a comprehensive suite of banking products and services for consumers, small businesses and commercial customers. These include basic banking products with no or low monthly maintenance fees, as well as accounts designed for young/student savers, individuals who are just entering the banking system, and customers who are looking to reestablish a banking relationship after experiencing banking challenges in the past.

All Webster products and services are readily accessible and delivered throughout our footprint, via banking centers, business bankers, Customer Care Center bankers and alternative delivery channels such as online and mobile banking. Customer Care Center bankers are available 24/7.

Multilingual bank personnel are available to assist customers at many banking center locations and by telephone through our Customer Care Center. In addition, Webster maintains a list of bankers who speak foreign languages to assist customers when necessary. The list currently includes 49 languages spoken/written by Webster bankers. We encourage our bankers to reach out to these colleagues when language interpretation is needed.

We offer a broad range of home mortgage lending programs and participate in many specialized and/or flexible loan programs to help promote affordable and sustainable home ownership for low- and moderate-income individuals and families, as well as those with limited capacity for a down payment.

In 2020, Webster originated 7,293 mortgage loans, (including Home Equity Lines of Credit), totaling $2.57 billion, of which 1.56% (114 loans), totaling $18.6 million, were financed through affordable home loan and assistance programs such as the Federal Housing Administration, local housing authority programs and our own affordable housing program, 30HOPE.

In 2019, we announced a new program, offered in conjunction with the State of Connecticut, to assist homeowners financially impacted by crumbling foundations. The program was amended in 2020 to include homeowner associations as eligible borrowers. As part of this program, Webster offers a fixed rate home equity loan to help eligible borrowers impacted by crumbling foundations. The maximum loan amount is $75,000 with a maximum term of 20 years, with rates tied to the Federal Home Loan Bank of Boston New England Fund.

Loan Modifications and Repayment Deferrals

We are committed to assisting qualified borrowers who have encountered verified financial hardship. Understanding that customers face many difficulties and hardships during this process, we treat each customer with dignity and empathy, while seeking to find the best possible long-term solution for every individual.

The Webster Bank Loss Mitigation Program was developed in 2008, and designed with input from community and local housing organizations. This successful mortgage modification program has helped to keep thousands of borrowers in their homes by recasting payments based on borrowers' circumstances, and it continues to assist struggling customers today.

In 2020, the Webster Bank Loss Mitigation program completed 2,947 loss mitigation requests on 2,547 loans across 35 different states. This represents an increase of more than 3000% from 2019, totaling over $575.2 million dollars in balances. Of these requests, 2,829, were COVID-related (Deferments, Forbearances & Extensions). Thirty-three customers reached resolution through Loss Mitigation Workouts, which were able to end civil litigation activities. By the end of 2020, our Loss Mitigation Program successfully completed 3,208 retention workout plans, 3,051 of which were completed as a result of a COVID-19 hardship.

For circumstances in which loan modification may not be available, we continue to work with those customers to bring accounts current and provide referrals to available community resources.

Soon after the onset of the pandemic, we significantly increased Business Banking and Commercial Banking loan modifications and payment deferrals. We offered 1,167 deferrals to 958 customers, with deferrals totaling $362 million in small business loans. We offered primarily three-to six-month deferrals that consisted of either principal moratoriums or full payments suspensions, and completed full modifications with customer signatures for each one.

SUPPORTING SMALL BUSINESSES WITHIN OUR COMMUNITIES

The U.S. Small Business Administration (SBA) provides assistance to small businesses and partners with participating lenders to offer a guarantee that helps to mitigate some of the lenders' risk. This enables lenders to provide financing with terms and conditions that may not otherwise be available.

Webster has a long history of SBA participation, partnering with the SBA to more effectively connect small businesses with needed capital. For the most recent SBA fiscal year ending September 30, 2020, we originated 11,526 SBA loans totaling nearly $1.52 billion.

For the SBA fiscal year ending September 30, 2020, Webster was listed as one of the 100 Most Active SBA Lenders in the United States, and was also named Lender of the Year in Connecticut for SBA 7(a) Loans and 504 3rd Party Lending.

WEBSTER'S COMMITMENT TO OUR BANKERS

For 85 years, Webster has been a community-minded, values-guided bank focused on helping customers achieve their financial goals. The key to our success is our people, and our inclusive and diverse workplace fosters consistent high performance, enabling our bankers to be their best in serving our customers and communities.

Our Webster Way values are at the forefront of everything we do, and sustain us as we advance Webster's mission of helping individuals, families and businesses achieve their financial goals.

Creating an energized culture

We are committed to maintaining a culture that enables bankers to be their best in serving our customers and communities, while achieving business success. This commitment has resulted in consistent "top workplace" ratings for Webster across our footprint.

Since 2010, Webster has engaged in extensive employee engagement polling with an independent survey provider. By gathering input from all bankers, we can better understand our strengths and opportunities to improve as a company, as managers and as co-workers. The "Power of We" survey, administered on a regular basis, gives bankers a chance to voice their opinions and help promote a great workplace.

Webster provides transparency to the results and accountability on the implementation of action plans to address the feedback. These actions occur at three levels: corporate-wide, line of business or function, and by manager. For the past several surveys, our strengths have remained consistent and notable:

- **Doing the right thing** – Bankers are knowledgeable about risk management and are open to reporting concerns and unethical behaviors up the line, and feel positive about safety and soundness measures.
- **Clear direction** – Bankers indicated strong confidence in the company's executive leadership, direction and future, and in the way their job contributes to our success.
- **Customer and community focus** – Bankers feel management empowers them to serve customers and the community.
- **Employee treatment** – Bankers continue to feel recognized and valued, and they believe they have their managers' support to develop professionally.

Our focus on the Power of We shows that strong engagement translates into both customer and banker satisfaction.

Webster leaders continually conduct pulse surveys and are continuously looking for ways to improve engagement across the bank, including flexible work practices and workplace environment improvements. We responded quickly to the pandemic crisis, and remote work arrangements were in place wherever possible by mid-March 2020. Our policies and practices during the pandemic have focused on several key areas:

- Bankers' health and safety
- Information security practices to protect customer and banker information
- Recognition for those bankers whose work required on-site presence
- A special zero-interest loan program for bankers experiencing financial distress; the program assisted 428 Webster bankers with nearly $2.05 million in loans
- Significant flexibility for those whose childcare commitments could not accommodate work

A late spring pulse survey indicated 95% of respondents were proud to work for Webster Bank.

BUILDING A DIVERSE, EQUITABLE AND INCLUSIVE WORK ENVIRONMENT

Our diversity, equity and inclusion focus is a natural outgrowth of our Webster Way values: acting with responsibility, respect, ethical behavior, citizenship and teamwork.

The goal is to embrace our differences — the ideas, talents and contributions of our bankers in an inclusive work environment. In 2020, we updated our diversity and inclusion efforts to include equity. As an organization, we wanted to ensure that equity was a part of every conversation and that we were providing an equitable experience for all bankers. We also hired a new Diversity, Equity and Inclusion (DE&I) Officer with the goal of expanding our DE&I programs and growing partnerships within our local communities, as well as with colleges and universities. It is our belief that in having a workforce with diverse backgrounds and experiences, we are better prepared to help our customers and the communities we serve achieve their financial goals.

There is a clear business case to be made for diversity and inclusion: it helps us to attract and retain talent, fosters a collaborative work environment, encourages innovation and serves a more diverse customer base, all of which support improved financial performance.

We continue to look at all our lines of business (LOBs) through a DE&I lens. Every LOB leader has DE&I metrics included in their strategic goals, including efforts to engage workforce diversity, equity and inclusion in their lines of business.

Webster's DE&I Council was established in 2017 and is co-chaired by our Chairman, President and CEO John Ciulla and our EVP of Business Banking John Guy, sending a clear signal that DE&I is a priority for Webster. The Council continues to serve as the platform where senior leaders and representatives of our various employee resource groups (ERGs) shape the strategy and actions of our DE&I focus. Bankers on the Council take the lead in our DE&I programming initiatives, which include celebrations of our varied identities.

In 2020, the Council increased its membership from 16 to 20 bankers, rotating membership and sponsoring initiatives to address our national climate of anti- racism and increasing opportunities for employee engagement. To broaden the Council's scope of expertise and inclusion, new representatives were added from three functional areas (Procurement, Philanthropy and Communications) along with a Veterans ERG and a Disability ERG.

78% favorable Diversity Index rating

The DE&I Council and ERGs sponsored a number of new programs and initiatives in 2020. Adapting to COVID-19 restrictions, the celebrations shifted to virtual mode and continued throughout the year, including Black History Month, Pride Month, Hispanic Heritage Month, National Literacy Awareness Month and National Employee Disability Awareness Month.

Highlights included an interactive art show for Black History Month, a virtual panel discussion on careers for Hispanic Heritage Month, and a virtual program in collaboration with a local law firm to discuss mentorship and sponsorship.

Our first ERG, the Webster Women's Initiative Network (WeWIN) was established in 2016. Under the leadership of our CIO and Chief Audit Officer, WeWIN's mission was expanded in 2019 and pillars were created to address the holistic needs of women in the organization, from career growth to work-life success.

WeWIN's Men as Allies group promotes the important role that men play in creating an environment of allyship and an atmosphere where women can succeed. In 2020, Men as Allies also hosted a well-attended event with the authors of "Athena Rising: How Men Can Be Better Allies for Women in the Workplace." Following the program, a related training module was developed for a virtual launch in 2021.

Nearly 100 bankers are actively involved in Webster's working parents support group. In 2020, the group partnered with the DE&I Officer and WeWIN/Men as Allies to work on programming and create awareness about the additional stressors experienced by working parents during the pandemic. They compiled resources and shared information with employees; panel discussions on navigating work, housework, caregiving and homeschooling during COVID-19 are planned for 2021.

Building on the steady progress that the WeWIN ERG has made, we are looking to further revamp our ERGs to ensure diverse representation and support throughout our entire footprint.

In order to better appreciate the full extent of diversity and inclusion at Webster, we have started to measure the impact of our initiatives and how people feel about working at Webster. Our current "diversity index," as indicated by our recently-administered employee engagement survey, puts us at 78% favorable. This shows that Webster fosters an environment where people from diverse backgrounds can succeed, and that individual differences are encouraged and valued in the workplace.

Webster's overall engagement scores remain consistently high and improved three percentage points over the last survey. Overall, Webster's DE&I team has noted changing attitudes, deliberate, positive collaboration, and higher levels of awareness around issues of diversity, equity and inclusion. According to our index, POW engagement around DE&I is two points above the industry norm.

One of Webster's annual talent management review process objectives is to identify and further build a pipeline of diverse talent, and position our bankers to take advantage of growth and promotional opportunities.

At the beginning of 2020, we launched a mentorship program for high-potential diverse individuals identified through our talent and organizational review processes, Twenty-one bankers were matched with executive leaders who serve as mentors, providing career guidance and positioning mentees to advance throughout the organization. We have also shared educational content around mentorship and sponsorship, and the role it plays in the advancement of racial minorities and women in organizations.

Education and awareness continue to be a cornerstone in realizing an inclusive culture. More than 90% of our bankers have participated in "Leading A Diverse Team," a workshop focused on defining diversity and inclusion, understanding bias, and practicing inclusive leadership. In early 2020, we launched a course devoted to an in-depth look at unconscious bias; participants were actively engaged and course evaluations were overwhelmingly positive.

We also developed and launched a new curriculum called "The Antiracism Journey," which provides strategies for bankers on how to respond to issues of racism when they arise. Team activities related to diversity, equity and inclusion principles were also facilitated at several virtual forums available to bankers throughout the company.

In 2020, Webster formulated and engaged in a response to the national climate and attention that has been directed to racial injustices. We made financial contributions to organizations doing work around racial injustices, and created an internal blueprint on how to respond to racial injustice, including providing space for bankers to engage in dialogue around the topic. We launched a book club to further this dialogue, as well as a speaker series where bankers can have meaningful facilitated conversations.

Developing talent and strong teams

We actively support the success, growth and career progression of our bankers, which includes technical and leadership development and the exploration of a broad range of career options within Webster. We make significant investments in formal development programs to build our talent pipeline.

At Webster, we are committed to developing and hiring internal candidates to fill open positions; as a result, more than 100 Webster Bankers accepted internal job changes in 2020. Our career development initiatives shifted to a virtual format, enabling bankers to continue participating in important career-enhancing programs, including job shadows and career consultations.

Our unique early-career Banking Rotational Program, now in its third cohort, offers four rotational assignments in five tracks: Credit and Risk, Finance and Audit, Community Banking, Technology and Operations. Bankers participating in this program are placed into full-time positions upon graduation from the two-year program.

We have developed strong partnerships with many local educational and nonprofit institutions as a means to recruit top talent. A bank-wide internship program was created in 2017 to centralize education and mentoring programs for our interns. In 2020, Webster Bank was among the few companies that honored commitments to summer interns, quickly converting the program to a virtual format prior to its start. We were able to welcome our class of 18 interns safely and on schedule. These interns participated in multiple virtual training and networking opportunities. The program continues to have long-term benefits, and represents an excellent pool to support our full-time early career talent needs.

Our cross-functional GenNext program is comprised of 25 millennial employees from across the lines of business and shared services. GenNext participants meet regularly throughout the year to provide ongoing feedback and ensure we are considering millennial goals and needs with regard to employee engagement.

Our Talent Acquisition team continues to partner with our hiring managers to leverage various recruitment practices and sourcing strategies to attract top diverse talent. All of our senior Talent Acquisition partners are certified as Diversity and Inclusion Recruiters through the AIRS certification program. Our recruiters strategically choose sourcing networks and candidate pools that provide us with a more diverse mix of talent.

We review and track our interview slates for those openings at or above the VP level to determine how often we are seeing a diverse slate of candidates, with the goal of continuous improvement over the prior year, eventually reaching 100%. Despite the pandemic, our commitment and ongoing efforts to improve the diversity of our interview slates continued in 2020.

We build and strengthen external networks to assist us with our goal of recruiting from a more diverse talent pool. Webster's Talent Acquisition team maintained our commitment and focused efforts to deepen partnerships with on-campus diversity organizations at many colleges and universities as well as with community organizations and associations within our footprint. In response to the pandemic, we quickly transitioned all planned on-campus or in-person partnership and networking events to a virtual format through year end. This flexibility enabled continuity of business and organizational hiring, offered valuable networking opportunities.

Webster's Talent Acquisition team members continue to be invited as featured speakers, join employer panels and provide one-on-one career coaching to students, all virtually. We successfully participated in 44 general recruiting events in 2020, up from 37 in 2019. Our diversity-specific events increased by 7% in 2020.

Finally, Webster is a meritocracy. Our strong and thoughtful performance management process is a foundational element of our talent management strategy. It provides a fair and consistent framework for bankers to understand how individual performance is measured against objectives, behavioral competencies, and The Webster Way. Together, these elements connect to our business strategy and organizational success. By receiving clear expectations and constructive feedback, supplemented by robust development plans, bankers realize a higher degree of personal accountability, ownership and commitment to their performance, leading to increased productivity and engagement.

Investing in our bankers

Webster is focused on investing in our current and future talent development in order to drive business results and banker engagement. Our Learning & Development Strategy comprises five core areas:

- Business education and job-specific training for all bankers, to help them increase their proficiency and job performance in alignment with our business priorities.
- Professional development to enhance core capabilities or transferable skills, and promote continuous learning and advancement.
- Leadership development to build and enhance our leadership capacity through a range of efforts. We focus on developing our leaders, from first-time managers to mid- and senior-level executives, at critical junctures in their Webster journeys. For example, Webster offers a values-based leadership program that reinforces our core values and key leadership behaviors important to sustaining Webster's strong culture. HSA Bank has successfully launched a five-component program, "Beyond: Building Character for Work and Life," to foster inclusion through social and emotional intelligence.
- Compliance training continues to be a critical priority to ensure safety and soundness practices. All bankers and contractors are required to complete an annual compliance program. Compliance training requirements range from nine to 35 courses, depending on the banker's role, and cover a range of topics, including regulations, ethics, cybersecurity and employment law.
- Career programs and certifications build specific skill sets and augment competency levels to build our pipeline of talent through specialized programs, including our Banking Rotational Program, Small Business Certification and Licensed Banker Programs.

Our bankers have access to more than 200 offerings through Webster Bank University, our virtual destination for learning. Bankers can access various types of content, from on-demand webinars to podcasts and e-learning modules. In response to the pandemic, all training was converted to virtual experiences in 2020, whether self-paced or led virtually by an instructor.

We encourage our bankers to take charge of their development through a number of programs. Bankers have an opportunity to see where their skills and interests match various parts of our organization through career maps, and also to receive career consultation. Managers are provided training and guidance on how to have career conversations with their employees and use resources on our internal career development site. The site provides information on job shadowing, career talks, Webster's education assistance program and much more.

16 hours of paid volunteer time for full-time bankers

Our performance management practices link annual goals and objectives (which are based on business strategy) to personal development profiles. We then give our bankers the tools and resources they need to navigate their careers at Webster proactively. Our focus is on knowing, growing and engaging our talent. We want to know our bankers' career aspirations and talents and help them further unleash their potential, so they can have meaningful careers at Webster.

Embracing employee-friendly policies

At Webster, we understand the importance of balance in our bankers' lives and shape policies to support our workforce needs. Bankers in select areas who do not work directly with customers can enjoy flexible work arrangements and business casual/casual dress codes.

Full-time and part-time bankers receive a competitive amount of annual paid time off (PTO) for time away from work, or income security for bankers who are out of work due to a short-term sickness.

We offer a parental leave program, allowing up to two weeks of paid leave for the birth or adoption of a child for qualifying bankers, in addition to our disability leave policy.

Additionally, we provide all full-time bankers with 16 paid hours each year for volunteer opportunities. Bankers are encouraged to volunteer in their local communities and/or any of a number of community service projects supported by Webster bankers annually.

Taking pride in our "Total Rewards" philosophy

Webster's compensation program aims to attract, retain and reward high-performing talent at all levels through a pay-for-performance philosophy. We strive to provide base salaries that are market-competitive, including a current minimum wage of $15 — an amount that is higher than national and state requirements. Variable pay opportunities are available to all bankers, including corporate incentive plans, sales/service commission or incentives plans, and equity plans for senior-level bankers. These plans reward bankers for the effective execution of financial, strategic and/or individual objectives that align with Webster's strategic success.

In addition, we ensure a strong risk management culture by making necessary adjustments to certain categories of bankers' variable pay if they contributed to a significant risk management deficiency during the year. The majority of our senior leaders' compensation links to variable pay, which relates to their performance and Webster's overall performance. In addition, they have stock-holding requirements that help keep them linked to Webster's performance and to shareholder value.

Our pay practices have strong governance processes, including reviewing competitive market data from more than 20 surveys each year, many specifically related to the banking industry. We determine all job levels centrally to make sure Fair Labor Standards Act (FLSA) regulations are applied consistently throughout the bank. We review annual merit increases to ensure decisions were made without bias of any nature. We review our pay by job title to ensure we have pay equity for males and females, and we review offers as compared to internal peers to ensure we do not create any new gender pay gap issues. Webster has an Incentive Compensation Oversight Committee that reviews and approves any changes to business-line incentive or sales plans, which ensures consistent governance and behaviors.

Webster's rewards and recognition program drives a culture of appreciation built on the foundation of The Webster Way. These various awards, whether originating from the CEO or a colleague, recognize leadership and provide awards bankers want with a focus on monetary and non-monetary elements. The award program plays a key role in our total rewards platform and helps make Webster a fulfilling place to work.

Moreover, Webster provides competitive benefits and wellness resources to its bankers. We work with outside benefits consultants to review our plans annually and benchmark them against other companies of comparable size. We offer comprehensive benefits, including medical, dental, vision, wellness incentives, life insurance, voluntary supplemental life insurance, short- and long-term disability, as well as 401(k) with company match, Employee Stock Purchase Plan, Employee Assistance Program and PTO. Webster shares in the costs of benefits with employees by paying approximately 80% of all insurance costs.

Webster contributes to bankers' health savings accounts through earned incentives for covered bankers and spouses for completing activities such as biometric screenings, wellness physicals and dental exams. We have partnered with an online wellness vendor to allow all employees access to nutritional, fitness and other health information, and participation is encouraged through individual and team competitions and incentives. Benefit trends are reviewed regularly, and Webster plans are adjusted accordingly to remain competitive.

More than 90%

of our bankers have participated in "Leading a Diverse Team"

Governance Report









For more information see page 31

50%+ women on the Board of Directors

We believe in the importance of sound and effective corporate governance. Over the years, we have forged an explicit link between our corporate culture and corporate governance by identifying our core values, communicating them and living them every day. With uncompromising commitment to these principles, we continue to add long-term value for Webster customers, shareholders, bankers and the communities we serve.

Webster is committed to maintaining robust governance practices that benefit the long-term interests of its investors.

Transparent Governance Policies

The Webster Board of Directors ("Board") has adopted corporate governance practices and policies that both the Board and senior management believe promote this philosophy.

Board Diversity

Webster seeks to have a Board composed of directors with diverse experience in business and in areas relevant to the bank. We believe that Webster directors should possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the shareholders.

In addition to depth and breadth of business and civic experience in leadership positions, a potential director's ties to our markets are considered in order to ensure diversity, as well as broad geographic and demographic representation reflective of the markets we serve. Five of Webster's nine-member Board of Directors are female: Elizabeth Flynn, Carol Hayles, Linda Ianieri, Karen Osar and Lauren States. In addition, Webster has two African American directors: Laurence Morse and Ms. States.

In October, Ms. States took part in a virtual panel discussion, "Mentorship and Sponsorship: Breaking Barriers to Equity," a Diversity, Equity and Inclusion event co-hosted by Webster Bank and Carmody Torrance Sandak & Hennessey LLP. Attended by more than 200 Webster women and men, topics ranged from leadership traits and workplace advancement for women to mentoring and work-life balance.

Board Leadership

At Webster, the role of Chairman of the Board is held by John R. Ciulla, who is Webster's President and Chief Executive Officer. In addition, there is a lead independent director who is appointed in accordance with Webster's Corporate Governance Policy. The current lead independent director, William Atwell, presides over the executive sessions of independent directors, providing independent leadership to mitigate any real or perceived conflicts of interest.

Board Committees

The Webster Board has established committees including Audit, Compensation, Nominating and Corporate Governance, and Risk Committees. The Board periodically refreshes membership on the Committees to provide new perspectives and insights.

Our Board continues to oversee our ESG efforts, with the primary responsibility for coordination of that oversight to the Nominating and Corporate Governance Committee.

Our management-level ESG Committee is comprised of senior executives across the Company, who meet quarterly and the ESG Committee reports to the Nominating and Corporate Governance Committee.

Executive sessions of independent directors

In keeping with Webster's Corporate Governance Policy, in 2020 the Board held sessions limited to independent directors at four board meetings. The lead independent director presides over the executive sessions of ındependent directors.

Information Security

The security of our customers' private information is one of Webster's key priorities. Webster expects employees, and each relevant supplier to be responsible for the security and confidentiality of client information. We communicate this responsibility to those entrusted with access upon hiring and regularly throughout the relationship. Employees are trained and tested, and assessments are conducted to ensure relevant suppliers have the appropriate controls implemented to protect customers' information.

We require all workforce members, including vendors and contractors, with access to client and Webster data to complete training to protect the confidentiality of client information. Training occurs at the time of hire and during each year of employment. Testing is performed at the time of training; competence in this area is further developed by regular use of simulation activities, from tabletop exercises and social engineering simulations to resilience testing. All relevant suppliers with access to customers' data undergo rigorous due diligence prior to onboarding and are monitored to ensure they maintain required security controls.

Webster's Chief Information Security Officer (CISO) directs the Company's Information Security Operations. The program is designed to protect the confidentiality, integrity and availability of client data and valuable confidential information. Led by Webster's CISO, a team of dedicated security professionals examines risks to the Company's information systems and assets, designs and implements security solutions, monitors the environment and provides immediate response to threats.

Governance begins with the Information Risk Committee (IRC), which is a management committee that is a part of Webster's overall enterprise risk management framework and is responsible for overseeing information technology and security risk, including technology risk and cybersecurity. This committee is updated as to the open risks that are related to information security. It is responsible for reviewing the development, implementation and maintenance of Webster's Information Security Program and its related comprehensive set of technology policies, which align with regulatory guidance and industry standards.

Webster's program and its components are assessed periodically by various external and internal parties, including expert cybersecurity firms and penetration testers, banking regulators and Webster Internal Audit. These include risk assessments and the evaluation of associated controls, control protocols, information security and defenses, security monitoring and response, and threat intelligence.

Webster received national recognition for these efforts, winning a 2020 CSO50 Award for our "Addressing Business Transformation with Next-Gen Security Strategy" program, and our CISO Aimée Barricelli was named 2020 CISO of the Year by the American Cyber Awards. The Award honors an exceptional leader who has the attention of his or her board, a record for delivering results and a drive for creating a security culture throughout the company. The CISO provides an annual report on the state of the Information Security program to the Board's Risk Committee. Webster's Board and executives are keenly interested in and appreciate the severity of cybersecurity-related risks and support the continuous development of and investment in the Information Security program.

As a component of Webster's cloud migration initiative, technology advancements were made throughout 2019 to prepare Webster for modern-day computing. As part of these advancements, a new remote access system was established and made operational by beginning of 2020. This new system enabled 2,700 bankers to seamlessly transition their work environment from Webster facilities to home offices. Webster's business processes were able to operate normally with limited on-premise staff allowing for the continued focus on banker health and safety during the pandemic crisis. The adoption of remote work capabilities such as video collaboration is expected to continue to benefit Webster post pandemic with the potential to reduce employee travel and office commutes. This will continue to reduce our energy consumption and carbon footprint over the course of time.

Risk Oversight

Webster takes a comprehensive approach to risk management with a defined enterprise risk management framework providing a structured approach for identifying, assessing and managing risks across the Company in a coordinated manner. Top-level risk categories include strategic, reputational, credit, information, legal, financial, operational and compliance. The Board administers its risk oversight function primarily through the Risk Committee, which meets frequently throughout the year and reports its findings to the full Board on an ongoing basis. Webster also has a Chief Risk Officer (CRO), who reports on matters involving corporate risk to the Risk Committee, and periodically to the full Board.

In addition, the Compensation Committee reviews and assesses risks as related to Webster's compensation programs.

Best Governance Practices

Webster's Board strives to know, adopt and follow best governance practices as they evolve. In pursuing this, the Board acts proactively when it believes change is needed.

A strong control environment

Maintaining a robust control environment is a critical priority for Webster, as it helps ensure that we are in compliance with applicable laws, regulations and policies. The Board provides oversight of the control environment with the assistance of our independent public accounting firm. Having a robust control environment, however, begins with our employees.

Each business area is responsible for adopting and following policies and procedures designed to maintain transparency, and these policies and procedures are evaluated periodically. Bankers in each line of business serve as the first line of defense and are responsible for identifying, managing and owning the risks in their businesses.

All Webster employees are required to complete an annual course in Enterprise Risk Management. Risk and other corporate support functions (for example, Human Resources and Legal departments) serve as the second line of defense, and are responsible for providing guidance, oversight and respectful challenge to the first line of defense. Internal Audit and Credit Risk Review, both of which are independent of management, serve as the third line of defense and ensure that appropriate risk management controls, processes and systems are in place and functioning effectively.

Webster performs a periodic enterprise risk assessment, identifying, evaluating and aggregating risks — including strategic, reputational, credit, information security, legal, financial, operational and compliance — to monitor our overall risk profile. The CRO discusses Webster's risk profile with the Board's Risk Committee on a quarterly basis. Webster's General Auditor, who reports to the Board's Audit Committee, evaluates Webster's controls on an ongoing basis. Any issues that may arise involving controls are immediately reported to the Board, and result in the development of plans to address the identified issue and strengthen the control environment. In order to restrain risk-taking to acceptable levels and strongly discourage the manipulation of earnings for personal gain, Webster has adopted a "clawback" policy, in which any bonus or incentive compensation for executives is subject to recovery by Webster if such compensation is based on criteria that are later shown to be materially inaccurate, without regard to whether the inaccuracy arose from any misconduct.

In addition, we ensure a strong risk management culture by making necessary adjustments to certain categories of bankers' variable pay if they contributed to a significant risk management deficiency during the year. The majority of our senior leaders' compensation links to variable pay, which relates to their individual or group's performance and to Webster's overall performance.

CS050 Award for "Next Gen" Security Strategy

We engage with our shareholders and stakeholders
Webster has a long-standing commitment to transparency in communicating its financial performance and strategic objectives to current and potential shareholders. Our primary methods of communicating with the investment community include quarterly earnings releases and earnings conference calls, each available to the general public; publicly available filings with the Securities and Exchange Commission; current reports on Form 8-K; and active participation in investor conferences hosted by brokerage firms and industry groups.

Webster has consistently received national recognition in surveys by Institutional Investor magazine for the quality of our overall Investor Relations program, as assessed by analysts and investors for attributes including timely and appropriate financial disclosure, constructive conference calls and accessibility of senior management.

As a public company having a bank as a primary operating subsidiary, Webster is answerable to regulators, including the OCC; Board of Governors of the Federal Reserve System (FRB); the Federal Deposit Insurance Corporation (FDIC); and the Bureau of Consumer Financial Protection (CFPB). As a result, we are regularly subject to comprehensive examinations by our regulators. We have established a mechanism for any stakeholder to communicate with the Board, any individual director, the lead director, the non-management directors as a group, or any other group of directors, by writing to:

[Name of Director or Directors]
c/o Lead Director of the Board of Directors
Webster Financial Corporation
PO Box 1986
Waterbury, Connecticut 06722

All communications received (except for communications that are primarily commercial in nature or relate to an improper or irrelevant topic) will be forwarded to the intended recipient(s) or the full Board, as appropriate.

Our customers have multiple options for contacting the Bank, including 24/7 customer service by telephone. For those with disabilities, we offer 24/7 Video Relay Service (VRS) and a Telecommunications Device for the Deaf (TDD) line. Customers may also communicate with us by secure email message or live chat online.

National recognition

for Webster's Information Security program

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Board of Directors are listed in the order they appear on page 26, from top left

Public Exhibit 16

WFC/Webster Bank BSA/AML/Sanctions Compliance Program Overview

WFC/Webster Bank BSA/AML/Sanctions Compliance Program Overview

WFC is committed to complying with the Bank Secrecy Act and USA PATRIOT Act and the anti-money laundering, counter-terrorist financing, and the Office of Foreign Assets Control ("OFAC") sanctions regulations, as well as preventing fraud or other financial crimes (collectively, "BSA"). WFC has implemented an enterprise-wide BSA Compliance Program (the "BSA Program") as an integral part of its overall Compliance Program. The WFC Board of Directors, or its Risk Committee, reviews the BSA Compliance Policy (the "BSA Policy") and BSA Program at least annually and approves changes that enhance the BSA Program's effectiveness.

The purpose of the BSA Program is to ensure that WFC and Webster Bank consistently meet the regulatory requirements, guiding principles and spirit of the BSA-related regulations. The guiding principles governing the BSA Programs include: (1) compliance with BSA is all employees' responsibility, (2) BSA compliance is integrated into the normal course of business, and (3) the BSA Program is risk-based.

Director of BSA Compliance

The WFC officer responsible for developing, implementing and monitoring the BSA Policy and BSA Program is the Director of BSA Compliance (*i.e.*, the BSA/OFAC Officer). The Director of BSA Compliance is appointed by the Board, reports directly to the Chief Risk Officer, and has direct access to the board-level Risk Committee, as required. For example, the Director of BSA Compliance (the "BSA/OFAC Officer") reports the overall status of BSA compliance to the board-level Risk Committee at least annually and more frequently, as appropriate, and to the management-level Regulatory Oversight Committee and the Enterprise Risk Management Committee (the "ERMC").

The Director of BSA Compliance oversees the execution of the BSA Compliance Policy and BSA Program, including:

- Managing BSA compliance risk at the enterprise level through the BSA Compliance Department;

- Managing the BSA operational activities, including implementing and maintaining (i) the Customer Identification Program and the Customer Due Diligence ("CDD") Program, including identifying Beneficial Ownership; (ii) the Office of Foreign Assets Control ("OFAC") program, (iii) suspicious activity monitoring, (iv) suspicious activity report ("SAR") investigations and reporting, and (iv) the monitoring of high risk customers, including Politically Exposes Persons ("PEPs");

- Recommending to Internal Audit areas for focused testing;

- Overseeing the resolution of BSA-related issues;

- Serving as the Money Laundering Reporting Officer for the Cayman Islands Monetary Authority; and appointing the BSA Governance Manager as the Deputy Money Laundering Reporting Officer; and

- Ensuring the Risk Committee of the Board of Directors and all employees receive annual BSA training and additional training, as deemed appropriate or desirable.

Other Key Roles

Board of Directors. The WFC Board of Directors is responsible for : (1) exercising oversight of the BSA Policy and BSA Program; (2) ensuring that company activities are conducted in compliance with BSA laws, rules, regulations and internal policies; (3) through the Risk Committee, holding management accountable for carrying out approved policies and allocating sufficient resources to properly train and test employees; and (4) through the Risk Committee, annually approving the BSA Policy and BSA Program.

BSA Compliance Department. The BSA Compliance Department provides the framework, supervision and expertise to support and evaluate the state of BSA compliance at the regulation and line of business levels. Members of the BSA Compliance team report to the Director of BSA Compliance. The team consists of the following five units:

- Regulatory Reporting & Quality Control – responsible for the quality control review and systemic filings of SARs, currency transaction reports ("CTRs"), money instrument records and high risk customers monitoring reports.

- High Risk Customer Monitoring – responsible for high risk customer monitoring and enhanced due diligence ("EDD"); sanction screening; PEP, section 314(a) and line of business support for OFAC escalations; and oversight of the High Risk Customer Council.

- Investigations – responsible for SAR alert reviews, SAR investigations, internal investigations, legal orders, grand jury subpoena and section 314(b) responses and investigations.

- Compliance/Governance Unit – responsible for BSA/OFAC Corporate policies and procedures, line of business compliance, BSA testing and monitoring within the line of business, corporate BSA/OFAC training, BSA and OFAC risk assessments, oversight of the SAR Council, and input on the development of new products or services requiring controls related to BSA compliance.

- Analytics and Technology – responsible for AML system calibration and tuning, IT liaison, model management, BSA reporting and analytics, and data testing and monitoring of BSA applications.

Corporate Compliance. Corporate Compliance, of which the BSA Compliance Department is a part, manages compliance risk at the enterprise level and provides the framework, tools, supervision and expertise to support and evaluate the state of compliance at the regulation and business unit levels.

Internal Audit. The independent Internal Audit Department is responsible for conducting periodic independent testing and validations to ensure compliance with the BSA Compliance Policy and BSA Program.

Controls

Testing & Monitoring Program. The BSA Governance Manager is responsible for execution of the testing and monitoring program and reports results at least semi-annually to the Director of BSA Compliance and others, as deemed necessary or appropriate. The objective of the BSA Testing and Monitoring Program is to: (1) ensure the lines of business are adhering to their respective procedures related to BSA/AML/OFAC controls; (2) identify gaps, trends and training opportunities and needs; and (3) ensure WFC is in compliance with BSA/AML/OFAC regulations.

Errors are tracked to completion by the BSA Compliance Department and reported to the line of business, the Director of BSA Compliance and other, as deemed necessary. The AML system at Webster Bank is reviewed in accordance with WFC's Model Risk Governance Policy and OCC guidance on model risk.

Independent Testing of BSA Compliance. An independent audit of the effectiveness of Webster Bank's compliance with the BSA Program is conducted. The testing must occur at least every 18 months, commensurate the with BSA risk profile of Webster Bank. Those persons conducting the independent BSA audit discuss all apparent BSA/OFAC violations and program deficiencies with the Director of BSA Compliance and the Director of Corporate Compliance, Compliance Managers and/or the line of business managers, as deemed appropriate and to ensure that corrective measures are implemented in a timely manner.

Training and Communications. Training Needs are identified, developed and deployed as a result of risk assessment findings, new or amended laws or regulations, self-identified issues, customer complaints, testing and monitoring results, and third-party review findings.

Line of Business BSA and OFAC Risk Assessments. The Director of BSA Compliance identifies the business lines and/or departments that must complete BSA and OFAC risk assessments. The assessments, which are completed by the lines of business with support from the BSA Compliance Department, provide a view of the effectiveness of controls in place to mitigate BSA and OFAC risks within the line of business. Information provided in these line-of-business risk assessments are used to complete the Corporate BSA and OFAC risk assessments.

Corporate BSA and OFAC Risk Assessments. Webster Bank must complete a Corporate BSA and OFAC Risk Assessment, at least annually, to assists WFC in identifying its risk profile relative to BSA, AML and OFAC risks. The Corporate BSA and OFAC Risk Assessments identify and measure the BSA/AML and OFAC risks related to: (1) customers; (2) products, services and delivery channels; (3) geographic locations; (4) employees; (5) OFAC communications; and (6) independent review. When new products, services, acquisition or mergers are approved and implemented, the risk assessments must be updated to reflect any changes and address any additional BSA/OFAC risks. The Director of BSA Compliance reports on the outcome of completed risk assessment to the Regulatory Oversight Committee, the ERMC and the board-level Risk Committee.

These risk assessments employ a multi-dimensional approach to identify and quantify inherent risk, which includes, but is not limited to: guidance set forth in the Federal Financial Institutions Examination Council manual, information obtained through line-of-business risk assessments, independent reviews, MIS reporting, bank-specific data, publicly available information and BSA staff training and experience. This information along with a comprehensive review of the controls in place to mitigate risks are used to determine the overall residual risk within each category. The risk assessment process of identifying the risks, the quality of controls and aggregate risk guides the development and enhancement of mitigating controls and/or monitoring systems for those products, services, customers and geographies that may present a higher risk for money laundering or OFAC exposure.

Customer Identification Program ("CIP")

The CIP at WFC is designed to enable WFC to form a reasonable belief that it knows the true identify of its customers. Corporate CIP Policy and Corporate CIP Procedures provide the framework by which the lines of business develop their operational CIP procedures. CIP procedures are risk-based and may include factors such as: the types of accounts offered; the methods of account opening; the size, physical locations and types of business; and the customer base.

It is WFC's policy not to open an account until the required identification information is obtained. The customer information collected at account opening must be verified within a reasonable time period using documentary and non-documentary methods.

Each line of business is responsible for maintaining detailed CIP procedures pertinent to its business. The BSA Compliance Department and Corporate Compliance work with the liens of business to ensure that the appropriate procedures are in place, reviewed and updated, as needed. Approval of line-of-business procedures are approved by the BSA Compliance Department.

Customer Risk Rating

WFC utilizes NICE Actimize's Customer Risk s1coring model to dynamically identify and monitor high risk customers and perform EDD on customers that pose a higher level of risk for money laundering or terrorist financing. Actimize's Customer Risk scoring model uses a combination of inherent, expected and actual transactional risk factors to identify WFC's high risk customer base.

SARs

SARs at WFC are filed centrally by the BSA Compliance Department's Financial Intelligence Unit (the "FIU"). WFC employees use a confidential internal reporting form to report suspicions or doubts about a customer's or WFC employee's transactions or activities. Employees are responsible for completing and forwarding the form to the FIU within one business day of discovery. The FIU manages the suspicious activity cases that result from these form submissions, as well as cases that result from system reports and alerts for review of criminal subpoenas and other legal processes.

The FIU takes the following actions: (1) investigates the facts and circumstances relating to the transactions and/or activities in question; (2) determines if the transactions and/or activities are suspicious; (3) files SARs, as required; and (4) escalates supplemental filing cases or higher risk cases to the SAR Council.

The SAR Council has oversight for the SAR reporting process and is responsible for appropriate policy and procedure recommendations. The SAR Council consists of: the BSA Governance Manager, who is the chairperson; the Director of BSA Compliance; the Manager of Fraud Services; and key members of BSA Compliance, Retail Bank, Commercial Bank and Bank Operations. In general, the SAR Council reviews suspicious cases, reporting and general risk issues, which may include pending cases, criminal subpoenas, SAR filing trends and other issues, as appropriate. Supplemental filing cases and other high risk cases are escalated to the SAR Council for review and decisioning on whether the customer relationship should remain open.

Policy on Banking High Risk Customers

WFC adheres to a policy in assessing and minimizing risk posed by providing banking services to a higher risk customer segment. High risk customer accounts are categorized into two tiers in accordance with an approval matrix for hight risk customer relationships: (1) Tier 1/ Prohibited Accounts – accounts for new customers in this tier will not be opened or maintained; exceptions for existing customers may only be granted with approval of the High Risk Customer Council; and (2) Tier 2 – These are accounts requiring approval by the High Risk Customer Council prior to account opening or retention for existing accounts. The High Risk Customer Council conducts a risk assessment of the prospective relationship based on guidance of the Financial Crimes Enforcement Network and OCC guidance, as well as the CIP and WFC's CDD and EDD policies and procedures.

Responsibilities of the High Risk Customer Council includes oversight of the EDD process for those customers approved under its authority noted above, as well as appropriate policy and procedure recommendations related to high risk customer onboarding. The High Risk Customer Council is chaired by the High Risk Customer Monitoring Manager and members include representatives from the BSA Compliance Department, Corporate Compliance, Fraud, Loss Management, Business Banking, Treasury and Payment Solutions, Commercial Banking, Banking Center Operations and the Director of BSA Compliance.

Analytics and Technology

The Analytics and Technology Team within the BSA Compliance Department manages the execution of the BSA Analytics and Technology Policy with oversight of various software systems, data and reports that provide information necessary to manage effectively BSA risk. This Policy encompasses the following:

- Calibration and tuning – ensures optimization of BSA applications.

- IT Liaison – works directly with IT to ensure BSA applications/systems, data and usage comply with BSA Compliance Department direction.

- Model risk management – ensures that the BSA models are performing appropriately and comply with the WFC Model Risk Governance Policy.

- Reporting and analytics – provides BSA management and management- and board-level risk committees with reports on managing BSA risk, trends and operational performance.

- Testing and monitoring of BSA compliance applications – ensures that BSA applications are working as intended and comply with regulations.

Sanctions Compliance Program

WFC employs a risk-based approach to compliance with OFAC regulations in the Sanctions Compliance Program it has developed, implemented and routinely updated. The Sanctions Compliance Program includes the five essential compliance components: (1) management commitment; (2) risk assessment; (3) internal controls; (4) testing and monitoring; and (5) training.

Public Exhibit 17

Sterling Bancorp/Sterling Bank BSA/AML/Sanctions Compliance Program Overview

Sterling Bancorp/Sterling Bank BSA/AML/Sanctions Compliance Program Overview

Sterling Bancorp and Sterling Bank (collectively, "Sterling") have established an enterprise-wide Bank Secrecy Act and Anti-Money Laundering Compliance Program and Procedures (the "BSA/AML Compliance Program") that establishes and maintains a system of internal controls to ensure compliance with applicable anti-money laundering ("AML") laws and regulations, and Office of Foreign Assets Control ("OFAC") sanctions regulations. The BSA/AML Compliance Program is approved by the Sterling Board of Directors and reaffirmed at least annually or as frequently as significant policy changes require.

The internal controls maintained by Sterling are designed to:

- Identify banking operations (products, services, customers, entities and geographic locations) that are more vulnerable to abuse by money launderers and criminals, provide periodic updates to Sterling's risk profile, and provide for a program tailored to manage the risks.

- Inform the Board of Directors, or a committee thereof and senior management of compliance initiatives, deficiencies and corrective actions taken, as well as suspicious activity reports ("SARs") filed.

- Identify the BSA/AML/OFAC Compliance Officer to be responsible for BSA/AML/OFAC compliance.

- Provide for program continuity despite changes in management, colleague composition or structure.

- Implement risk-based customer due diligence ("CDD") and enhanced due diligence ("EDD") policies, procedures and processes.

- Identify reportable transaction and accurately file all required reports, including SARs, currency transaction reports ("CTRs") and CTR exemptions.

- Provide for dual controls and the segregation of duties to the extent possible.

- Provide sufficient controls and systems for filing CTRs and CTR exemptions.

- Provide sufficient controls and monitoring systems for timely detection and reporting of SARs.

BSA/AML/OFAC Compliance Officer

The BSA/AML/OFAC Compliance Officer is the senior Sterling officer who is responsible for compliance with AML regulations, design and implement the BSA/AML/OFAC Compliance Program. The BSA/AML/OFAC Compliance Officer reports to the Chief Risk Officers and chairs the BSA Oversight Committee. In addition, the BSA/AML/OFAC

Compliance Officer is responsible for developing and updating an annual BSA/AML/OFAC training program.

Other Roles and Responsibilities

Security/BSA Department Officers. Subject to the direction of the BSA/AML/OFAC Compliance Officer, Security/BSA Department Officer implement the AML policies and procedures for which they have been assigned responsibility. Such responsibilities include, among others:

- Developing and implementing appropriate internal controls to monitor day-to-day compliance with all applicable regulations and guidelines.

- Coordinating with Internal Audit.

- Assisting in the development of training for colleagues and coordinating with the business line managers to determine who needs training.

- Helping to resolve or address heightened due diligence and "red flag" issues, including referring potential suspicious activities to the BSA/AML/OFAC Compliance Officer.

- Gathering and submitting the information and documentation to facilitate the filing of SARs with the Financial Crimes Enforcement Network ("FinCEN").

BSA Oversight Committee. The role of the BSA Oversight Committee, which is chaired by the BSA/AML/OFAC Compliance Officer, is to assist such officer in designing, implementing and carrying out the BSA/AML/OFAC Compliance Program. Other designated members of the BSA Oversight Committee include: the Chief Risk Officer, Chief Compliance Officer, Chief Security and Technology Officer, Chief Information Officer, Chief Enterprise Risk Officer, Chief Operations Officer, General Counsel, Director of Deposit Operations, Consumer Banking Segment Executive, Corporate Banking President, Director of Financial Crimes Investigation Unit ("FCIU"), Director of BSA Risk Management and Director of BSA Governance. The BSA Oversight Committee and respective business line senior management review the results of internal audits of BSA/AML/OFAC compliance risk management for any inconsistencies in application of the policies and procedures or other compliance issues discovered by the auditors. This committee meets every six to eight weeks or more frequently, as needed.

SAR Committee. The SAR Committee, which is chaired by the BSA/AML/OFAC Compliance Officer includes appropriate levels of Sterling senior management. The SAR Committee serves to: (1) assist senior management in its compliance with, and the Board of Directors oversight of, the SAR filing process: (2) set standards for documenting and reporting potentially suspicious activity, including recommendations on whether to file a SAR; (3) in specific instances and with input from the BSA/AML/OFAC Compliance Officer, make determinations as to whether a SAR should be filed and assure that its determination reasons are appropriately memorialized in Sterling's records; and (4) review customer relationships to determine if account closure or other actions are warranted and make recommendations for further action.

Members of the SAR Committee include: the BSA/AML/OFAC Compliance Officer (chair), Director of FCIU, Chief Risk Officer, Chief Enterprise Risk Officer, Director of Enterprise Risk Management, Chief Compliance officer, General Counsel, Director of Deposit Operations, Chief Security & Technology Officer, Corporate Banking President, Consumer Banking Segment Executive, and Director of Consumer Banking Administration. It generally meets bi-weekly and more often, as needed.

Internal Audit. Sterling's Internal Audit Department, under the direction of the Chief Auditor, is responsible to ensure that comprehensive periodic BSA audits are performed (by qualified internal department resources and/or expert external firms) to assess the scope and effectiveness of Sterling's BSA-related policies, procedures programs and internal controls. The results of such audits are reported to senior management and the Audit Committee of the Board of Directors.

BSA/AML Training Program

The BSA/AML OFAC Compliance Officer assures that comprehensive annual training is provided to all Sterling personnel to help ensure they have current knowledge of AML requirements. Targeted BSA/AML/OFAC-related training is provided to Security/BSA Department colleagues and other bank colleagues directly involved in the execution of BSA/AML/OFAC-related activities. The Board of Directors also receive BSA/AML/OFAC training. The Sterling Human Resources/Learning & Development Department provides necessary logistical and scheduling support and is responsible for the administration of and provision of the BSA/AML/OFAC training.

Escalation of SARs and AML Issues

The BSA/AML/OFAC Compliance Officer must keep the Enterprise Risk Committee of the Board of Directors, and other board-level committees as warranted, informed of SARs filed. In addition, the BSA/AML/OFAC Compliance Officer must notify the other BSA Oversight Committee members of any material BSA matters or issues brought by a Security/BSA Department Officer or business line manager.

Special Measures

The BSA/AML/OFAC Compliance Officer is required to stay informed about, and communicate to, the BSA Oversight Committee (including Security/BSA Department Officers) any "special measures" that the Treasury Secretary may implement under section 311 of the USA PATRIOT Act with regard to any jurisdiction, financial institution, category of transaction or type of account. Such special measures may require Sterling to, among other things: (1) keep records and/or file reports on particular transactions; (2) obtain information on the beneficial ownership of any account opened or maintained by or on behalf of a foreign person; (3) identify customers permitted to use, or whose transactions are routed through, a foreign bank or correspondent account; and (4) abandon or curtail certain payable-through or correspondent accounts.

<u>Receiving and Responding to Government Information Requests</u>

All requests for information from the federal government relating to money laundering are directed to the BSA/AML/OFAC Compliance Officer, who is responsible for handling, or delegating the handling of, such requests and timely responses. For example, under section 314(a) of the USA PATRIOT Act, FinCEN may require Sterling to search its records regarding a particular individual, organization or entity suspected of engaging in terrorism or money laundering to determine whether it has account or transactional information regarding the request. Sterling procedures require expeditious searches of its records or relevant information and timely responses. In addition, Sterling must adequately safeguard the confidentiality of any such FinCEN request.

<u>BSA/AML and OFAC Risk Assessment</u>

Sterling performs annual risk assessments of its BSA/AML Compliance Program and activities in accordance with guidance from the Federal Financial Institutions Examination Council's Bank Secrecy Act Anti-Money Laundering Examination Manual, and may use the services of a third-party compliance consulting company to assist in this effort. The risk assessments are updated, as needed, to reflect new products, services or delivery channels, new or revised laws, regulations or supervisory expectations, and other appropriate factors that may impact Sterling's overall BSA/AML/OFAC risk levels. Such risk assessments develop a risk profile of Sterling and assists it in ensuring that effective policies, procedures and processes are maintained to mitigate potential risks. The results of these risk assessments are provided to senior management, discussed with the BSA Oversight Committee and reported to the Enterprise Risk Committee of the Board of Directors.

<u>Know Your Customer/Customer Identification Program</u>

Sterling's Know Your Customer ("<u>KYC</u>") Program describes the due diligence measures that Sterling colleagues must take with respect to its customers and other counterparties. To verify the identity of its customers when opening a new account, Sterling has implemented a Customer Identification Program ("<u>CIP</u>") as a key component of its KYC Program. The CIP is intended to enable Sterling to form a reasonable belief that it knows the true identify of each customer.

Customer identify must be verified and recorded within a reasonable time before or after the account is opened, using documentary and/or non-documentary methods. After Sterling has identified a customer under the CIP, it must continue to update information concerning the customer, monitor the customer relationship and remain alert for transactions that may involve money laundering, terrorist financing or other criminal activities. Each business unit is responsible for implementing the KYC/CIP procedures and any necessary supplemental procedures, as warranted, to address any indicia of increased risk or uncertainty.

Elements. The five central elements of Sterling's CIP are: (1) collecting customer identification information; (2) verifying the customer's identity; (3) retaining identification and verification records; (4) providing notice to the customer regarding Sterling's identification and verification efforts; and (5) comparing the customer's name with any government-supplied lists of known or suspected terrorists in addition to Sterling's OFAC compliance procedures.

Customer Due Diligence. Sterling maintains CDD procedures that are reasonably designed to identify and verify the identity of beneficial owners of an account, as appropriate, based on the evaluation of risk pertaining to an account. Accounts identified under the CDD procedures as posing a heightened risk are subjected to EDD.

In addition to verifying each customer's identify, Sterling obtains sufficient information to: (1) confirm the nature and comfort with the legitimacy of the customer's source of funds; and (2) anticipate the types of transactions and level of activity in which the customer is likely to engage. The amount of information, documentation and due diligence required varies depending upon the following factors, among others: the type of customer, the particular service or product, the nature and extent of the relationship, the countries involved, the expected activity and whether any suspicious indicators are present. As the size of the relationship and the perceived risks increase, so does the required level of due diligence.

A customer profile is developed at the inception of the customer account. Actual account activity is regularly compared to the profile to determine if there is any unusual activity. The information obtained in the course of the CIP procedures is included in the customer profile, which is used to initially evaluate the customer and as a base line for monitoring for suspicious activity.

Enhanced Due Diligence. As noted, EDD is required for high-risk accounts. Examples of high risk accounts, include accounts of politically exposed persons, customers from high-risk countries, customers of high-risk business segments, and persons or entities for which research databases or government information has uncovered material negative information. Sterling may also determine that a customer poses an increased level of risk due to the total context of its business activity, ownership structure, or the anticipated or actual volume and types of transactions.

Monitoring Customer Relationships and Accounts. To help ensure that Sterling is not being used unwittingly by criminals, Sterling monitors the customer's account activities for unusual activity through employee awareness and automated monitoring systems. Any time suspicious activity is detected as being inconsistent with a customer's expected activity, such activity is immediately referred through established procedures to the relevant relationship and operational manager and the Security/BSA Department.

Account reviews are conducted when significant account changes occur or when warning signs and/or a suspicious transaction occurs. In addition, Sterling has established a risk-rated system for periodic reviews of accounts, with procedures established for refreshing CDD and EDD.

Suspicious Activity Reporting

Sterling has implemented policies and procedures that require timely SAR report filings of possible criminal violations and suspicious activity or transactions, in accordance with applicable regulations and supervisory guidance. Sterling employees are required to report any possible criminal violations, or other unusual or suspicious transactions immediately to the Security/BSA Department. Extensive internal policies, procedures and guidance are provided to the business lines and employees on warning signs and otherwise how to identify such transactions. If suspicious activity is suspected, the Sterling colleague who detected the activity, the colleague's supervisor or anyone else connected with a customer function must notify the Security/BSA Department. The Security/BSA Department is responsible for filing SARs to FinCEN in a timely manner. As noted, Sterling maintains a SAR Committee that generally meets bi-weekly to review SAR issues.

Currency and Monetary Instruments Reporting

Sterling maintains policies and procedures that require employees to obtain specified information necessary to file CTRs and Currency or Monetary Instruments Reports ("MIRs") for transactions meeting established criteria, in accordance with regulatory requirements and guidance. The Security/BSA Department is responsible for reviewing, verifying and filing CTRs and MIRs.

OFAC Compliance Program

Sterling has a policy not to do business with Specially Designated Nationals, Specially Designated Narcotics Traffickers, Specially Designated Terrorists, or individuals or entities appearing on the Consolidated Sanctions List of OFAC (collectively, the "OFAC List"), and to comply with OFAC's sanctions programs that pertain to individual countries, in accordance with OFAC regulations and guidance. Responsibility for administering Sterling's OFAC Compliance Program resides with the BSA/AML/OFAC Compliance Office. Such responsibility includes: (1) ensuring that any blocked accounts and rejected transactions are identified and reported to OFAC in a timely manner, (2) ensuring that appropriate controls and processes are in place to address OFAC requirements and federal directives or alerts regarding the OFAC Lists, and (3) providing OFAC compliance advice and assistance to the Sterling business lines and departments, as required.

The Security/BSA Department functions as the centralized information sources for OFAC-related inquiries at Sterling. When it receives information about a questionable transaction, the Security/BSA Department determines, with the assistance of counsel if needed, whether the transaction should be blocked.

Opening New Accounts. Sterling personnel who are responsible for opening new accounts must ascertain whether a prospective customer is a prohibited entity, individual, company, bank or vessel on the OFAC List and that the customer is not conducting business or prohibited activities relating to an OFAC-sanctions country or government thereof. If there is a match (*e.g.*, the customer appears on an OFAC List), the account cannot be opened and the

Sterling employee must immediately contact the Security/BSA Department. If the OFAC List compliance checks are to be performed shortly after account opening, transactions will be prevented (other than initial deposits) until the OFAC List check is completed.

Monitoring Existing Accounts and Transactions. Under the OFAC Compliance Program, all established account must be regularly compared to the OFAC List. Generally, all existing accounts are OFAC screened centrally. Sterling has implemented sophisticated name-recognition software to help ensure that prohibited transactions are not processed. If a potential OFAC hit cannot be cleared, it must be escalated to the Security/BSA Department for additional due diligence. Once a customer's property has been blocked, Sterling's procedures require that the relevant OFAC reporting requirements be met in a timely manner.

Identity Theft Red Flag Program

Sterling has developed an Identify Theft Program (the "ID Theft Program"), approved by the Enterprise Risk Committee, to mitigate potential risk to Sterling and its customers resulting from identity theft. The ID Theft Programs is designed to comply with the Fair and Accurate Credit Transactions Act and to enable Sterling to: (1) identify and detect relevant "red flags," which are defined as a pattern, practice or specific activity that indicates the possible risk of identity theft; and (2) respond appropriately to detected red flags to prevent and mitigate identify theft.

Under the ID Theft Program, the relevant business units of Sterling maintain appropriate procedures to mitigate the risk of identity theft and respond appropriately to red flags, including procedures for identifying relevant red flags, verifying customer identify (under the CIP Program), detecting red flags from various sources and reporting the red flags, as well as appropriate monitoring procedures. The ID Theft Program includes training to Sterling colleagues to ensure they understand the related requirements, procedures and impact on their day-to-day job responsibilities.

When an employee is unable to resolve the red flag at the point of contact, or an actual incident of identity theft is reported to Sterling Bank, the Security/BSA Department is notified. Actions are taken, as appropriate, in response to red flags commensurate with the degree of risk posed, as well as to a determination that one or more accounts have actually been compromised. In addition, incidents of identity theft are reported by the Security/BSA Department to the Chief Information Security Officer, who determines whether deployment of the Bank's incident Response Program is warranted.

The BSA/AML/OFAC Compliance Officer is responsible for updating the ID Theft Program and provides reports, no less frequently than annually, to members of senior management and the Board of Directors regarding the ID Theft Program and Sterling's Bank's compliance with relevant regulations and guidance. This reporting includes material matters related to the ID Theft Program, such as: (1) the effectiveness of Sterling's procedure in addressing identify theft risk; (2) service provider arrangement; (3) significant incidents involving identity theft and management's response, and (4) recommendations for changes and adjustment to increase the program's effectiveness.

Public Exhibit 18

Competitive Effects Summary Charts and Market Tables

CASSIDI
BANKING COMPETITIVE ANALYSIS | ST. LOUIS FED

Metro New York City, NY-NJ-CT-PA Banking Market HHI Deposit Analysis* (For Commercial Bank and Thrift Organizations)

Report Date: Wednesday, April 28, 2021 at 13:50:57 EST.

	Pre Merger	Post Merger
Total Organizations	213	212
Total Banking Organizations:	169	168
Total Thrift Organizations:	44	44

Herfindahl-Hirschman Index	Pre Merger	Post Merger	Change in HHI
HHI Unweighted Deposits	1254	1255	1
HHI Weighted Deposits	1409	1411	2

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	**Type**	**Branches**	**Name**	**City**	**State**	**Deposits****	**Rank**	**%**	**Deposits**	**Rank**	**%**	**Deposits****	**Rank**	**%**	**Deposits**	**Rank**	**%**
Target Organization																	
3083291	BHC	77	STERLING BANCORP	PEARL RIVER	NY	23,755.113	16	0.97	23,755.113	15	1.04	0.000	0	0.00	0.000	0	0.00
125471	**Bank**	**77**	**STERLING NATIONAL BANK**	**PEARL RIVER**	**NY**	**23,755.113**			**23,755.113**								
Buyer Organization																	
1145476	BHC	62	WEBSTER FINANCIAL CORPORATION	WATERBURY	CT	17,386.285	22	0.71	17,386.285	21	0.76						
761806	Bank	62	WEBSTER BANK, NATIONAL ASSOCIATION	WATERBURY	CT	17,386.285			17,386.285								
Resulting Organization																	
1145476	BHC	139	WEBSTER FINANCIAL CORPORATION	WATERBURY	CT							41,141.398	12	1.68	41,141.398	11	1.81
761806	Bank	62	WEBSTER BANK, NATIONAL ASSOCIATION	WATERBURY	CT							17,386.285			17,386.285		
125471	Bank	77	STERLING NATIONAL BANK	PEARL RIVER	NY							23,755.113			23,755.113		

Other Organizations

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
1039502	**BHC**	**848**	**JPMORGAN CHASE & CO.**	**NEW YORK**	**NY**	**771,216.479**	**1**	**31.47**	**771,216.479**	**1**	**33.92**	**771,216.479**	**1**	**31.47**	**771,216.479**	**1**	**33.92**
852218	Bank	848	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	COLUMBUS	OH	771,216.479			771,216.479			771,216.479			771,216.479		
1073757	**BHC**	**453**	**BANK OF AMERICA CORPORATION**	**CHARLOTTE**	**NC**	**191,639.657**	**2**	**7.82**	**191,639.657**	**2**	**8.43**	**191,639.657**	**2**	**7.82**	**191,639.657**	**2**	**8.43**
480228	Bank	453	BANK OF AMERICA, NATIONAL ASSOCIATION	CHARLOTTE	NC	191,639.657			191,639.657			191,639.657			191,639.657		
3587146	**BHC**	**8**	**BANK OF NEW YORK MELLON CORPORATION, THE**	**NEW YORK**	**NY**	**171,159.000**	**3**	**6.99**	**171,159.000**	**3**	**7.53**	**171,159.000**	**3**	**6.99**	**171,159.000**	**3**	**7.53**
541101	Bank	8	BANK OF NEW YORK MELLON, THE	NEW YORK	NY	171,159.000			171,159.000			171,159.000			171,159.000		
1951350	**BHC**	**254**	**CITIGROUP INC.**	**NEW YORK**	**NY**	**127,199.000**	**5**	**5.19**	**127,199.000**	**4**	**5.59**	**127,199.000**	**5**	**5.19**	**127,199.000**	**4**	**5.59**
476810	Bank	254	CITIBANK, NATIONAL ASSOCIATION	SIOUX FALLS	SD	127,199.000			127,199.000			127,199.000			127,199.000		
1857108	**BHC**	**79**	**HSBC HOLDINGS PLC**	**LONDON**		**126,674.910**	**6**	**5.17**	**126,674.910**	**5**	**5.57**	**126,674.910**	**6**	**5.17**	**126,674.910**	**5**	**5.57**
413208	Bank	79	HSBC BANK USA, NATIONAL ASSOCIATION	MCLEAN	VA	126,674.910			126,674.910			126,674.910			126,674.910		
2162966	**BHC**	**1**	**MORGAN STANLEY**	**NEW YORK**	**NY**	**93,901.000**	**7**	**3.83**	**93,901.000**	**6**	**4.13**	**93,901.000**	**7**	**3.83**	**93,901.000**	**6**	**4.13**
2489805	Bank	1	MORGAN STANLEY PRIVATE BANK, NATIONAL ASSOCIATION	PURCHASE	NY	93,901.000			93,901.000			93,901.000			93,901.000		
1238565	**BHC**	**447**	**TORONTO-DOMINION BANK, THE**	**TORONTO**		**90,888.557**	**8**	**3.71**	**90,888.557**	**7**	**4.00**	**90,888.557**	**8**	**3.71**	**90,888.557**	**7**	**4.00**
497404	Bank	447	TD BANK, NATIONAL ASSOCIATION	WILMINGTON	DE	90,888.557			90,888.557			90,888.557			90,888.557		
1120754	**BHC**	**355**	**WELLS FARGO & COMPANY**	**SAN FRANCISCO**	**CA**	**72,483.709**	**9**	**2.96**	**72,483.709**	**8**	**3.19**	**72,483.709**	**9**	**2.96**	**72,483.709**	**8**	**3.19**
451965	Bank	355	WELLS FARGO BANK, NATIONAL ASSOCIATION	SIOUX FALLS	SD	72,483.709			72,483.709			72,483.709			72,483.709		
2277860	**BHC**	**140**	**CAPITAL ONE FINANCIAL CORPORATION**	**MCLEAN**	**VA**	**51,365.231**	**10**	**2.10**	**51,365.231**	**9**	**2.26**	**51,365.231**	**10**	**2.10**	**51,365.231**	**9**	**2.26**
112837	Bank	140	CAPITAL ONE, NATIONAL ASSOCIATION	MCLEAN	VA	51,365.231			51,365.231			51,365.231			51,365.231		
2942690	**Bank**	**30**	**SIGNATURE BANK**	**NEW YORK**	**NY**	**48,477.099**	**11**	**1.98**	**48,477.099**	**10**	**2.13**	**48,477.099**	**11**	**1.98**	**48,477.099**	**10**	**2.13**
1069778	**BHC**	**210**	**PNC FINANCIAL SERVICES GROUP, INC., THE**	**PITTSBURGH**	**PA**	**33,839.442**	**12**	**1.38**	**33,839.442**	**11**	**1.49**	**33,839.442**	**13**	**1.38**	**33,839.442**	**12**	**1.49**
817824	Bank	210	PNC BANK, NATIONAL ASSOCIATION	WILMINGTON	DE	33,839.442			33,839.442			33,839.442			33,839.442		
1242423	**BHC**	**1**	**DEUTSCHE BANK AKTIENGESELLSCHAFT**	**FRANKFURT**		**32,975.000**	**13**	**1.35**	**32,975.000**	**12**	**1.45**	**32,975.000**	**14**	**1.35**	**32,975.000**	**13**	**1.45**
214807	Bank	1	DEUTSCHE BANK TRUST COMPANY AMERICAS	NEW YORK	NY	32,975.000			32,975.000			32,975.000			32,975.000		
2132932	**BHC**	**172**	**NEW YORK COMMUNITY BANCORP, INC.**	**WESTBURY**	**NY**	**24,649.059**	**14**	**1.01**	**24,649.059**	**13**	**1.08**	**24,649.059**	**15**	**1.01**	**24,649.059**	**14**	**1.08**
694904	Thrift	172	NEW YORK COMMUNITY BANK	HICKSVILLE	NY	24,649.059			24,649.059			24,649.059			24,649.059		
1048773	**BHC**	**176**	**VALLEY NATIONAL BANCORP**	**NEW YORK**	**NY**	**24,059.882**	**15**	**0.98**	**24,059.882**	**14**	**1.06**	**24,059.882**	**16**	**0.98**	**24,059.882**	**15**	**1.06**

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
229801	Bank	176	VALLEY NATIONAL BANK	WAYNE	NJ	24,059.882			24,059.882			24,059.882			24,059.882		
3650152	BHC	183	PEOPLE'S UNITED FINANCIAL, INC.	BRIDGEPORT	CT	23,695.127	17	0.97	23,695.127	16	1.04	23,695.127	17	0.97	23,695.127	16	1.04
613307	Bank	183	PEOPLE'S UNITED BANK, NATIONAL ASSOCIATION	BRIDGEPORT	CT	23,695.127			23,695.127			23,695.127			23,695.127		
1239254	BHC	190	BANCO SANTANDER, S.A.	BOADILLA DEL MONTE MADRID		22,796.369	18	0.93	22,796.369	17	1.00	22,796.369	18	0.93	22,796.369	17	1.00
722777	Bank	190	SANTANDER BANK, N.A.	WILMINGTON	DE	22,796.369			22,796.369			22,796.369			22,796.369		
4114567	Bank	12	FIRST REPUBLIC BANK	SAN FRANCISCO	CA	20,147.519	19	0.82	20,147.519	18	0.89	20,147.519	19	0.82	20,147.519	18	0.89
908508	Bank	1	BANK OF CHINA	NEW YORK	NY	18,807.941	20	0.77	18,807.941	19	0.83	18,807.941	20	0.77	18,807.941	19	0.83
2477754	BHC	140	INVESTORS BANCORP, INC.	SHORT HILLS	NJ	17,716.806	21	0.72	17,716.806	20	0.78	17,716.806	21	0.72	17,716.806	20	0.78
35570	Bank	140	INVESTORS BANK	SHORT HILLS	NJ	17,716.806			17,716.806			17,716.806			17,716.806		
1037003	BHC	173	M&T BANK CORPORATION	BUFFALO	NY	16,625.970	23	0.68	16,625.970	22	0.73	16,625.970	22	0.68	16,625.970	21	0.73
2265456	Bank	7	WILMINGTON TRUST, NATIONAL ASSOCIATION	WILMINGTON	DE	0.000			0.000			0.000			0.000		
501105	Bank	166	MANUFACTURERS AND TRADERS TRUST COMPANY	BUFFALO	NY	16,625.970			16,625.970			16,625.970			16,625.970		
1232497	BHC	6	ROYAL BANK OF CANADA	MONTREAL		13,686.107	24	0.56	13,686.107	23	0.60	13,686.107	23	0.56	13,686.107	22	0.60
63069	Bank	6	CITY NATIONAL BANK	LOS ANGELES	CA	13,686.107			13,686.107			13,686.107			13,686.107		
3446412	BHC	80	APPLE FINANCIAL HOLDINGS, INC.	NEW YORK	NY	13,494.506	25	0.55	13,494.506	24	0.59	13,494.506	24	0.55	13,494.506	23	0.59
249612	Thrift	80	APPLE BANK FOR SAVINGS	NEW YORK	NY	13,494.506			13,494.506			13,494.506			13,494.506		
1416523	BHC	67	DIME COMMUNITY BANCSHARES, INC.	HAUPPAUGE	NY	9,721.017	26	0.40	9,721.017	25	0.43	9,721.017	25	0.40	9,721.017	24	0.43
23504	Bank	67	DIME COMMUNITY BANK	BRIDGEHAMPTON	NY	9,721.017			9,721.017			9,721.017			9,721.017		
4028712	BHC	5	BANKUNITED, INC.	MIAMI LAKES	FL	9,574.855	27	0.39	9,574.855	26	0.42	9,574.855	26	0.39	9,574.855	25	0.42
3938186	Bank	5	BANKUNITED, NATIONAL ASSOCIATION	MIAMI LAKES	FL	9,574.855			9,574.855			9,574.855			9,574.855		
3133637	BHC	99	PROVIDENT FINANCIAL SERVICES, INC.	JERSEY CITY	NJ	9,067.380	28	0.37	9,067.380	27	0.40	9,067.380	27	0.37	9,067.380	26	0.40
204004	Thrift	99	PROVIDENT BANK	JERSEY CITY	NJ	9,067.380			9,067.380			9,067.380			9,067.380		
1240737	BHC	4	ISRAEL DISCOUNT BANK LIMITED	TEL AVIV		7,939.647	29	0.32	7,939.647	28	0.35	7,939.647	28	0.32	7,939.647	27	0.35
320119	Bank	4	ISRAEL DISCOUNT BANK OF NEW YORK	NEW YORK	NY	7,939.647			7,939.647			7,939.647			7,939.647		
95716	Bank	1	STATE BANK OF INDIA	NEW YORK	NY	7,781.170	30	0.32	7,781.170	29	0.34	7,781.170	29	0.32	7,781.170	28	0.34
1068025	BHC	68	KEYCORP	CLEVELAND	OH	7,150.857	31	0.29	7,150.857	30	0.31	7,150.857	30	0.29	7,150.857	29	0.31
280110	Bank	68	KEYBANK NATIONAL ASSOCIATION	CLEVELAND	OH	7,150.857			7,150.857			7,150.857			7,150.857		
1404799	BHC	52	LAKELAND BANCORP, INC.	OAK RIDGE	NJ	6,152.827	32	0.25	6,152.827	31	0.27	6,152.827	31	0.25	6,152.827	30	0.27
687009	Bank	52	LAKELAND BANK	NEWFOUNDLAND	NJ	6,152.827			6,152.827			6,152.827			6,152.827		
2393274	BHC	26	FLUSHING FINANCIAL CORPORATION	UNIONDALE	NY	6,051.159	33	0.25	6,051.159	32	0.27	6,051.159	32	0.25	6,051.159	31	0.27

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
959304	Bank	26	FLUSHING BANK	UNIONDALE	NY	6,051.159			6,051.159			6,051.159			6,051.159		
1048764	**BHC**	**28**	**CONNECTONE BANCORP, INC.**	**ENGLEWOOD CLIFFS**	**NJ**	**5,912.818**	**35**	**0.24**	**5,912.818**	**33**	**0.26**	**5,912.818**	**34**	**0.24**	**5,912.818**	**32**	**0.26**
3317932	Bank	28	CONNECTONE BANK	ENGLEWOOD CLIFFS	NJ	5,912.818			5,912.818			5,912.818			5,912.818		
909000	**Bank**	**1**	**BANK OF BARODA**	**NEW YORK**	**NY**	**5,878.183**	**36**	**0.24**	**5,878.183**	**34**	**0.26**	**5,878.183**	**35**	**0.24**	**5,878.183**	**33**	**0.26**
1129382	**BHC**	**39**	**POPULAR, INC.**	**SAN JUAN**	**PR**	**5,762.727**	**37**	**0.24**	**5,762.727**	**35**	**0.25**	**5,762.727**	**36**	**0.24**	**5,762.727**	**34**	**0.25**
2736291	Bank	39	POPULAR BANK	NEW YORK	NY	5,762.727			5,762.727			5,762.727			5,762.727		
2609975	**BHC**	**40**	**OCEANFIRST FINANCIAL CORP.**	**TOMS RIVER**	**NJ**	**5,387.011**	**38**	**0.22**	**5,387.011**	**36**	**0.24**	**5,387.011**	**37**	**0.22**	**5,387.011**	**35**	**0.24**
85472	Bank	40	OCEANFIRST BANK, NATIONAL ASSOCIATION	TOMS RIVER	NJ	5,387.011			5,387.011			5,387.011			5,387.011		
3212091	**BHC**	**6**	**NEW YORK PRIVATE BANK & TRUST CORPORATION**	**NEW YORK**	**NY**	**4,889.244**	**40**	**0.20**	**4,889.244**	**37**	**0.22**	**4,889.244**	**39**	**0.20**	**4,889.244**	**36**	**0.22**
137915	Thrift	5	EMIGRANT BANK	NEW YORK	NY	4,888.744			4,888.744			4,888.744			4,888.744		
3268173	Bank	1	EMIGRANT MERCANTILE BANK	NEW YORK	NY	0.500			0.500			0.500			0.500		
2651590	**BHC**	**20**	**PEAPACK-GLADSTONE FINANCIAL CORPORATION**	**BEDMINSTER**	**NJ**	**4,864.088**	**41**	**0.20**	**4,864.088**	**38**	**0.21**	**4,864.088**	**40**	**0.20**	**4,864.088**	**37**	**0.21**
236706	Bank	20	PEAPACK-GLADSTONE BANK	GLADSTONE	NJ	4,864.088			4,864.088			4,864.088			4,864.088		
2368106	**BHC**	**1**	**SNBNY HOLDINGS LIMITED**	**GIBRALTAR**		**4,710.757**	**43**	**0.19**	**4,710.757**	**39**	**0.21**	**4,710.757**	**42**	**0.19**	**4,710.757**	**38**	**0.21**
918918	Bank	1	SAFRA NATIONAL BANK OF NEW YORK	NEW YORK	NY	4,710.757			4,710.757			4,710.757			4,710.757		
3185355	**BHC**	**3**	**MIZUHO FINANCIAL GROUP, INC.**	**TOKYO**		**4,224.276**	**44**	**0.17**	**4,224.276**	**40**	**0.19**	**4,224.276**	**43**	**0.17**	**4,224.276**	**39**	**0.19**
229913	Bank	3	MIZUHO BANK (USA)	NEW YORK	NY	4,224.276			4,224.276			4,224.276			4,224.276		
1132449	**BHC**	**20**	**CITIZENS FINANCIAL GROUP, INC.**	**PROVIDENCE**	**RI**	**4,109.120**	**45**	**0.17**	**4,109.120**	**41**	**0.18**	**4,109.120**	**44**	**0.17**	**4,109.120**	**40**	**0.18**
3303298	Bank	20	CITIZENS BANK, NATIONAL ASSOCIATION	PROVIDENCE	RI	4,109.120			4,109.120			4,109.120			4,109.120		
4400336	**BHC**	**4**	**WORKERS UNITED**	**PHILADELPHIA**	**PA**	**3,809.790**	**47**	**0.16**	**3,809.790**	**42**	**0.17**	**3,809.790**	**46**	**0.16**	**3,809.790**	**41**	**0.17**
661308	Bank	4	AMALGAMATED BANK	NEW YORK	NY	3,809.790			3,809.790			3,809.790			3,809.790		
790105	**Bank**	**1**	**BANK HAPOALIM B.M.**	**NEW YORK**	**NY**	**3,670.443**	**48**	**0.15**	**3,670.443**	**43**	**0.16**	**3,670.443**	**47**	**0.15**	**3,670.443**	**42**	**0.16**
2820211	**BHC**	**8**	**METROPOLITAN BANK HOLDING CORP**	**NEW YORK**	**NY**	**3,417.073**	**49**	**0.14**	**3,417.073**	**44**	**0.15**	**3,417.073**	**48**	**0.14**	**3,417.073**	**43**	**0.15**
2705895	Bank	8	METROPOLITAN COMMERCIAL BANK	NEW YORK	NY	3,417.073			3,417.073			3,417.073			3,417.073		
1048894	**BHC**	**46**	**FIRST OF LONG ISLAND CORPORATION, THE**	**GLEN HEAD**	**NY**	**3,324.853**	**50**	**0.14**	**3,324.853**	**45**	**0.15**	**3,324.853**	**49**	**0.14**	**3,324.853**	**44**	**0.15**
837000	Bank	46	FIRST NATIONAL BANK OF LONG ISLAND, THE	GLEN HEAD	NY	3,324.853			3,324.853			3,324.853			3,324.853		
1232536	**BHC**	**1**	**BANK LEUMI LE-ISRAEL B.M.**	**TEL AVIV**		**3,193.382**	**51**	**0.13**	**3,193.382**	**46**	**0.14**	**3,193.382**	**50**	**0.13**	**3,193.382**	**45**	**0.14**
101019	Bank	1	BANK LEUMI USA	NEW YORK	NY	3,193.382			3,193.382			3,193.382			3,193.382		
4389329	**BHC**	**1**	**CRB GROUP, INC.**	**FORT LEE**	**NJ**	**3,039.281**	**52**	**0.12**	**3,039.281**	**47**	**0.13**	**3,039.281**	**51**	**0.12**	**3,039.281**	**46**	**0.13**
3783313	Bank	1	CROSS RIVER BANK	TEANECK	NJ	3,039.281			3,039.281			3,039.281			3,039.281		

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
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2571120	**SLHC**	**54**	**COLUMBIA BANK MHC**	**FAIR LAWN**	**NJ**	**5,987.736**	**34**	**0.24**	**2,993.868**	**48**	**0.13**	**5,987.736**	**33**	**0.24**	**2,993.868**	**47**	**0.13**
174572	Thrift	54	COLUMBIA BANK	FAIR LAWN	NJ	5,987.736			2,993.868			5,987.736			2,993.868		
1246159	**BHC**	**2**	**BESSEMER GROUP, INCORPORATED, THE**	**WOODBRIDGE**	**NJ**	**2,694.447**	**53**	**0.11**	**2,694.447**	**49**	**0.12**	**2,694.447**	**52**	**0.11**	**2,694.447**	**48**	**0.12**
7009	Bank	1	BESSEMER TRUST COMPANY	WOODBRIDGE	NJ	866.628			866.628			866.628			866.628		
976703	Bank	1	BESSEMER TRUST COMPANY, NATIONAL ASSOCIATION	NEW YORK	NY	1,827.819			1,827.819			1,827.819			1,827.819		
1751420	**Bank**	**1**	**BANK OF EAST ASIA LTD., THE**	**NEW YORK**	**NY**	**2,661.473**	**54**	**0.11**	**2,661.473**	**50**	**0.12**	**2,661.473**	**53**	**0.11**	**2,661.473**	**49**	**0.12**
3099443	**SLHC**	**52**	**KEARNY FINANCIAL CORP.**	**FAIRFIELD**	**NJ**	**4,935.063**	**39**	**0.20**	**2,467.532**	**51**	**0.11**	**4,935.063**	**38**	**0.20**	**2,467.532**	**50**	**0.11**
633378	Thrift	52	KEARNY BANK	FAIRFIELD	NJ	4,935.063			2,467.532			4,935.063			2,467.532		
3170539	**BHC**	**30**	**BCB BANCORP, INC.**	**BAYONNE**	**NJ**	**2,445.364**	**55**	**0.10**	**2,445.364**	**52**	**0.11**	**2,445.364**	**54**	**0.10**	**2,445.364**	**51**	**0.11**
2954059	Bank	30	BCB COMMUNITY BANK	BAYONNE	NJ	2,445.364			2,445.364			2,445.364			2,445.364		
859712	**Thrift**	**40**	**RIDGEWOOD SAVINGS BANK**	**RIDGEWOOD**	**NY**	**4,828.643**	**42**	**0.20**	**2,414.322**	**53**	**0.11**	**4,828.643**	**41**	**0.20**	**2,414.322**	**52**	**0.11**
4284536	**BHC**	**2**	**CUSTOMERS BANCORP, INC**	**WYOMISSING**	**PA**	**2,307.006**	**57**	**0.09**	**2,307.006**	**54**	**0.10**	**2,307.006**	**56**	**0.09**	**2,307.006**	**53**	**0.10**
2354985	Bank	2	CUSTOMERS BANK	PHOENIXVILLE	PA	2,307.006			2,307.006			2,307.006			2,307.006		
727709	**Bank**	**1**	**BANK OF INDIA**	**NEW YORK**	**NY**	**2,175.753**	**58**	**0.09**	**2,175.753**	**55**	**0.10**	**2,175.753**	**57**	**0.09**	**2,175.753**	**54**	**0.10**
2611718	**BHC**	**24**	**AMBOY BANCORPORATION**	**OLD BRIDGE**	**NJ**	**2,079.600**	**59**	**0.08**	**2,079.600**	**56**	**0.09**	**2,079.600**	**58**	**0.08**	**2,079.600**	**55**	**0.09**
9807	Bank	24	AMBOY BANK	OLD BRIDGE	NJ	2,079.600			2,079.600			2,079.600			2,079.600		
3132863	**SLHC**	**37**	**NORTHFIELD BANCORP, INC.**	**WOODBRIDGE**	**NJ**	**3,931.339**	**46**	**0.16**	**1,965.670**	**57**	**0.09**	**3,931.339**	**45**	**0.16**	**1,965.670**	**56**	**0.09**
28013	Thrift	37	NORTHFIELD BANK	STATEN ISLAND	NY	3,931.339			1,965.670			3,931.339			1,965.670		
1117129	**BHC**	**25**	**FULTON FINANCIAL CORPORATION**	**LANCASTER**	**PA**	**1,948.452**	**60**	**0.08**	**1,948.452**	**58**	**0.09**	**1,948.452**	**59**	**0.08**	**1,948.452**	**57**	**0.09**
474919	Bank	25	FULTON BANK, NATIONAL ASSOCIATION	LANCASTER	PA	1,948.452			1,948.452			1,948.452			1,948.452		
5301421	**BHC**	**23**	**USB BANCORP, INC.**	**DANBURY**	**CT**	**1,926.278**	**61**	**0.08**	**1,926.278**	**59**	**0.08**	**1,926.278**	**60**	**0.08**	**1,926.278**	**58**	**0.08**
443205	Thrift	23	UNION SAVINGS BANK	DANBURY	CT	1,926.278			1,926.278			1,926.278			1,926.278		
1843080	**BHC**	**11**	**CATHAY GENERAL BANCORP**	**LOS ANGELES**	**CA**	**1,807.167**	**62**	**0.07**	**1,807.167**	**60**	**0.08**	**1,807.167**	**61**	**0.07**	**1,807.167**	**59**	**0.08**
595869	Bank	11	CATHAY BANK	LOS ANGELES	CA	1,807.167			1,807.167			1,807.167			1,807.167		
2961879	**BHC**	**10**	**HOPE BANCORP, INC.**	**LOS ANGELES**	**CA**	**1,797.574**	**63**	**0.07**	**1,797.574**	**61**	**0.08**	**1,797.574**	**62**	**0.07**	**1,797.574**	**60**	**0.08**
671464	Bank	10	BANK OF HOPE	LOS ANGELES	CA	1,797.574			1,797.574			1,797.574			1,797.574		
2589714	**BHC**	**16**	**MB MUTUAL HOLDING COMPANY**	**WALL TOWNSHIP**	**NJ**	**1,726.000**	**64**	**0.07**	**1,726.000**	**62**	**0.08**	**1,726.000**	**63**	**0.07**	**1,726.000**	**61**	**0.08**
459671	Thrift	16	MANASQUAN BANK	MANASQUAN	NJ	1,726.000			1,726.000			1,726.000			1,726.000		
3553815	**BHC**	**13**	**BANKWELL FINANCIAL GROUP, INC.**	**NEW CANAAN**	**CT**	**1,626.994**	**65**	**0.07**	**1,626.994**	**63**	**0.07**	**1,626.994**	**64**	**0.07**	**1,626.994**	**62**	**0.07**
3109043	Bank	13	BANKWELL BANK	NEW CANAAN	CT	1,626.994			1,626.994			1,626.994			1,626.994		
3596009	**BHC**	**13**	**ORANGE COUNTY BANCORP, INC.**	**MIDDLETOWN**	**NY**	**1,438.199**	**67**	**0.06**	**1,438.199**	**64**	**0.06**	**1,438.199**	**66**	**0.06**	**1,438.199**	**63**	**0.06**
176101	Bank	13	ORANGE BANK & TRUST COMPANY	MIDDLETOWN	NY	1,438.199			1,438.199			1,438.199			1,438.199		

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
5079476	**BHC**	**16**	**PCSB FINANCIAL CORPORATION**	**YORKTOWN HEIGHTS**	**NY**	**1,425.939**	**68**	**0.06**	**1,425.939**	**65**	**0.06**	**1,425.939**	**67**	**0.06**	**1,425.939**	**64**	**0.06**
24006	Thrift	16	PCSB BANK	BREWSTER	NY	1,425.939			1,425.939			1,425.939			1,425.939		
2784920	**BHC**	**25**	**1ST CONSTITUTION BANCORP**	**CRANBURY**	**NJ**	**1,384.275**	**71**	**0.06**	**1,384.275**	**66**	**0.06**	**1,384.275**	**70**	**0.06**	**1,384.275**	**65**	**0.06**
1412619	Bank	25	1ST CONSTITUTION BANK	CRANBURY	NJ	1,384.275			1,384.275			1,384.275			1,384.275		
2181426	**BHC**	**16**	**UNITY BANCORP, INC.**	**CLINTON**	**NJ**	**1,383.432**	**72**	**0.06**	**1,383.432**	**67**	**0.06**	**1,383.432**	**71**	**0.06**	**1,383.432**	**66**	**0.06**
1890525	Bank	16	UNITY BANK	CLINTON	NJ	1,383.432			1,383.432			1,383.432			1,383.432		
2835514	**BHC**	**16**	**BLUE FOUNDRY, MHC**	**RUTHERFORD**	**NJ**	**1,355.887**	**73**	**0.06**	**1,355.887**	**68**	**0.06**	**1,355.887**	**72**	**0.06**	**1,355.887**	**67**	**0.06**
797775	Thrift	16	BLUE FOUNDRY BANK	RUTHERFORD	NJ	1,355.887			1,355.887			1,355.887			1,355.887		
2367921	**BHC**	**14**	**TOMPKINS FINANCIAL CORPORATION**	**ITHACA**	**NY**	**1,305.545**	**76**	**0.05**	**1,305.545**	**69**	**0.06**	**1,305.545**	**75**	**0.05**	**1,305.545**	**68**	**0.06**
521804	Bank	14	MAHOPAC BANK	BREWSTER	NY	1,305.545			1,305.545			1,305.545			1,305.545		
5045444	**BHC**	**18**	**NSB MUTUAL HOLDING COMPANY**	**NEWTOWN**	**CT**	**1,185.355**	**77**	**0.05**	**1,185.355**	**70**	**0.05**	**1,185.355**	**76**	**0.05**	**1,185.355**	**69**	**0.05**
507509	Thrift	18	NEWTOWN SAVINGS BANK	NEWTOWN	CT	1,185.355			1,185.355			1,185.355			1,185.355		
845573	**Thrift**	**21**	**SPENCER SAVINGS BANK, SLA**	**ELMWOOD PARK**	**NJ**	**2,341.581**	**56**	**0.10**	**1,170.790**	**71**	**0.05**	**2,341.581**	**55**	**0.10**	**1,170.790**	**70**	**0.05**
2734233	**BHC**	**7**	**EAST WEST BANCORP, INC.**	**PASADENA**	**CA**	**1,161.395**	**78**	**0.05**	**1,161.395**	**72**	**0.05**	**1,161.395**	**77**	**0.05**	**1,161.395**	**71**	**0.05**
197478	Bank	7	EAST WEST BANK	PASADENA	CA	1,161.395			1,161.395			1,161.395			1,161.395		
4224297	**BHC**	**1**	**SUMITOMO MITSUI TRUST HOLDINGS, INC.**	**TOKYO**		**1,154.968**	**79**	**0.05**	**1,154.968**	**73**	**0.05**	**1,154.968**	**78**	**0.05**	**1,154.968**	**72**	**0.05**
925411	Bank	1	SUMITOMO MITSUI TRUST BANK (U.S.A.) LIMITED	HOBOKEN	NJ	1,154.968			1,154.968			1,154.968			1,154.968		
5309306	**BHC**	**9**	**WOORI FINANCIAL GROUP, INC.**	**SEOUL**		**1,100.519**	**80**	**0.04**	**1,100.519**	**74**	**0.05**	**1,100.519**	**79**	**0.04**	**1,100.519**	**73**	**0.05**
384018	Bank	9	WOORI AMERICA BANK	NEW YORK	NY	1,100.519			1,100.519			1,100.519			1,100.519		
3633173	**Bank**	**12**	**ALMA BANK**	**ASTORIA**	**NY**	**1,097.411**	**81**	**0.04**	**1,097.411**	**75**	**0.05**	**1,097.411**	**80**	**0.04**	**1,097.411**	**74**	**0.05**
538802	**Bank**	**1**	**INTERAUDI BANK**	**NEW YORK**	**NY**	**1,065.406**	**82**	**0.04**	**1,065.406**	**76**	**0.05**	**1,065.406**	**81**	**0.04**	**1,065.406**	**75**	**0.05**
2693273	**BHC**	**11**	**SALISBURY BANCORP, INC.**	**LAKEVILLE**	**CT**	**997.507**	**85**	**0.04**	**997.507**	**77**	**0.04**	**997.507**	**84**	**0.04**	**997.507**	**76**	**0.04**
821906	Bank	11	SALISBURY BANK AND TRUST COMPANY	LAKEVILLE	CT	997.507			997.507			997.507			997.507		
3401970	**Bank**	**8**	**FIRST BANK**	**HAMILTON**	**NJ**	**976.805**	**87**	**0.04**	**976.805**	**78**	**0.04**	**976.805**	**86**	**0.04**	**976.805**	**77**	**0.04**
3716339	**BHC**	**8**	**WESTCHESTER BANK HOLDING CORPORATION, THE**	**WHITE PLAINS**	**NY**	**960.355**	**88**	**0.04**	**960.355**	**79**	**0.04**	**960.355**	**87**	**0.04**	**960.355**	**78**	**0.04**
3716320	Bank	8	WESTCHESTER BANK, THE	WHITE PLAINS	NY	960.355			960.355			960.355			960.355		
1231968	**BHC**	**1**	**BNP PARIBAS**	**PARIS**		**960.354**	**89**	**0.04**	**960.354**	**80**	**0.04**	**960.354**	**88**	**0.04**	**960.354**	**79**	**0.04**
804963	Bank	1	BANK OF THE WEST	SAN FRANCISCO	CA	960.354			960.354			960.354			960.354		
3271230	**BHC**	**14**	**RHINEBECK BANCORP, MHC**	**POUGHKEEPSIE**	**NY**	**933.337**	**91**	**0.04**	**933.337**	**81**	**0.04**	**933.337**	**90**	**0.04**	**933.337**	**80**	**0.04**
195111	Thrift	14	RHINEBECK BANK	RHINEBECK	NY	933.337			933.337			933.337			933.337		

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
2961897	**BHC**	**1**	**MITSUBISHI UFJ FINANCIAL GROUP, INC.**	**TOKYO**		**890.222**	**92**	**0.04**	**890.222**	**82**	**0.04**	**890.222**	**91**	**0.04**	**890.222**	**81**	**0.04**
212465	Bank	1	MUFG UNION BANK, NATIONAL ASSOCIATION	SAN FRANCISCO	CA	890.222			890.222			890.222			890.222		
4097978	**BHC**	**4**	**CHINA INVESTMENT CORPORATION**	**BEIJING**		**880.037**	**93**	**0.04**	**880.037**	**83**	**0.04**	**880.037**	**92**	**0.04**	**880.037**	**82**	**0.04**
1015560	Bank	4	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (USA), NATIONAL ASSOCIATION	NEW YORK	NY	880.037			880.037			880.037			880.037		
3404373	**Bank**	**9**	**FIRST COMMERCE BANK**	**LAKEWOOD**	**NJ**	**870.988**	**94**	**0.04**	**870.988**	**84**	**0.04**	**870.988**	**93**	**0.04**	**870.988**	**83**	**0.04**
3595271	**Bank**	**12**	**BANK OF PRINCETON, THE**	**PRINCETON**	**NJ**	**809.043**	**97**	**0.03**	**809.043**	**85**	**0.04**	**809.043**	**96**	**0.03**	**809.043**	**84**	**0.04**
5097340	**BHC**	**2**	**FIELDPOINT PRIVATE HOLDINGS, INC.**	**GREENWICH**	**CT**	**805.425**	**98**	**0.03**	**805.425**	**86**	**0.04**	**805.425**	**97**	**0.03**	**805.425**	**85**	**0.04**
3664588	Thrift	2	FIELDPOINT PRIVATE BANK & TRUST	GREENWICH	CT	805.425			805.425			805.425			805.425		
3948439	**BHC**	**9**	**HAVEN BANCORP, MHC**	**HOBOKEN**	**NJ**	**802.019**	**99**	**0.03**	**802.019**	**87**	**0.04**	**802.019**	**98**	**0.03**	**802.019**	**86**	**0.04**
918477	Thrift	9	HAVEN SAVINGS BANK	HOBOKEN	NJ	802.019			802.019			802.019			802.019		
3854268	**BHC**	**8**	**ESSA BANCORP, INC.**	**STROUDSBURG**	**PA**	**800.989**	**100**	**0.03**	**800.989**	**88**	**0.04**	**800.989**	**99**	**0.03**	**800.989**	**87**	**0.04**
952677	Thrift	8	ESSA BANK & TRUST	STROUDSBURG	PA	800.989			800.989			800.989			800.989		
4132084	**BHC**	**9**	**PNBK HOLDINGS LLC**	**STAMFORD**	**CT**	**787.407**	**101**	**0.03**	**787.407**	**89**	**0.03**	**787.407**	**100**	**0.03**	**787.407**	**88**	**0.03**
2236821	Bank	9	PATRIOT BANK, NATIONAL ASSOCIATION	STAMFORD	CT	787.407			787.407			787.407			787.407		
373601	**Thrift**	**4**	**UNION COUNTY SAVINGS BANK**	**ELIZABETH**	**NJ**	**1,528.137**	**66**	**0.06**	**764.068**	**90**	**0.03**	**1,528.137**	**65**	**0.06**	**764.068**	**89**	**0.03**
2817930	**BHC**	**5**	**MAHAM BETEILIGUNGSGESELLS CHAFT AG**	**ZURICH**		**733.073**	**102**	**0.03**	**733.073**	**91**	**0.03**	**733.073**	**101**	**0.03**	**733.073**	**90**	**0.03**
245016	Bank	5	HABIB AMERICAN BANK	NEW YORK	NY	733.073			733.073			733.073			733.073		
4267427	**BHC**	**2**	**ESQUIRE FINANCIAL HOLDINGS, INC.**	**JERICHO**	**NY**	**727.489**	**103**	**0.03**	**727.489**	**92**	**0.03**	**727.489**	**102**	**0.03**	**727.489**	**91**	**0.03**
3447820	Bank	2	ESQUIRE BANK, NATIONAL ASSOCIATION	JERICHO	NY	727.489			727.489			727.489			727.489		
958204	**Thrift**	**17**	**FIRST COUNTY BANK**	**STAMFORD**	**CT**	**1,418.057**	**69**	**0.06**	**709.028**	**93**	**0.03**	**1,418.057**	**68**	**0.06**	**709.028**	**92**	**0.03**
3824373	**SLHC**	**16**	**FAIRFIELD COUNTY BANK, MHC**	**RIDGEFIELD**	**CT**	**1,394.673**	**70**	**0.06**	**697.336**	**94**	**0.03**	**1,394.673**	**69**	**0.06**	**697.336**	**93**	**0.03**
882701	Thrift	16	FAIRFIELD COUNTY BANK	RIDGEFIELD	CT	1,394.673			697.336			1,394.673			697.336		
29878	**Thrift**	**6**	**MASPETH FEDERAL SAVINGS AND LOAN ASSOCIATION**	**MASPETH**	**NY**	**1,327.117**	**74**	**0.05**	**663.558**	**95**	**0.03**	**1,327.117**	**73**	**0.05**	**663.558**	**94**	**0.03**
3912766	**SLHC**	**19**	**ION FINANCIAL, MHC**	**NAUGATUCK**	**CT**	**1,321.095**	**75**	**0.05**	**660.548**	**96**	**0.03**	**1,321.095**	**74**	**0.05**	**660.548**	**95**	**0.03**
407506	Thrift	19	ION BANK	NAUGATUCK	CT	1,321.095			660.548			1,321.095			660.548		
5010134	**BHC**	**7**	**HANOVER BANCORP, INC.**	**MINEOLA**	**NY**	**659.975**	**104**	**0.03**	**659.975**	**97**	**0.03**	**659.975**	**103**	**0.03**	**659.975**	**96**	**0.03**
3793714	Bank	7	HANOVER COMMUNITY BANK	GARDEN CITY PARK	NY	659.975			659.975			659.975			659.975		
3382855	**BHC**	**7**	**MAGYAR BANCORP, MHC**	**NEW BRUNSWICK**	**NJ**	**627.767**	**105**	**0.03**	**627.767**	**98**	**0.03**	**627.767**	**104**	**0.03**	**627.767**	**97**	**0.03**
548771	Thrift	7	MAGYAR BANK	NEW BRUNSWICK	NJ	627.767			627.767			627.767			627.767		

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
4176855	**BHC**	**7**	**RBB BANCORP**	**LOS ANGELES**	**CA**	**612.179**	**108**	**0.02**	**612.179**	**99**	**0.03**	**612.179**	**107**	**0.02**	**612.179**	**98**	**0.03**
3835454	Bank	7	ROYAL BUSINESS BANK	LOS ANGELES	CA	612.179			612.179			612.179			612.179		
2728157	**BHC**	**12**	**BERKSHIRE BANCORP INC.**	**NEW YORK**	**NY**	**606.475**	**109**	**0.02**	**606.475**	**100**	**0.03**	**606.475**	**108**	**0.02**	**606.475**	**99**	**0.03**
1396764	Bank	12	BERKSHIRE BANK, THE	NEW YORK	NY	606.475			606.475			606.475			606.475		
3720000	**BHC**	**1**	**MODERN BANK MANAGEMENT LLC**	**NEW YORK**	**NY**	**584.711**	**110**	**0.02**	**584.711**	**101**	**0.03**	**584.711**	**109**	**0.02**	**584.711**	**100**	**0.03**
2398701	Bank	1	MODERN BANK, NATIONAL ASSOCIATION	NEW YORK	NY	584.711			584.711			584.711			584.711		
3268249	**Bank**	**1**	**GREENE COUNTY COMMERCIAL BANK**	**CATSKILL**	**NY**	**579.269**	**111**	**0.02**	**579.269**	**102**	**0.03**	**579.269**	**110**	**0.02**	**579.269**	**101**	**0.03**
2333663	**BHC**	**7**	**BERKSHIRE HILLS BANCORP, INC**	**BOSTON**	**MA**	**556.452**	**114**	**0.02**	**556.452**	**103**	**0.02**	**556.452**	**113**	**0.02**	**556.452**	**102**	**0.02**
473501	Bank	7	BERKSHIRE BANK	PITTSFIELD	MA	556.452			556.452			556.452			556.452		
3609132	**BHC**	**6**	**FIRST HOPE BANCORP**	**HOPE**	**NJ**	**538.165**	**116**	**0.02**	**538.165**	**104**	**0.02**	**538.165**	**115**	**0.02**	**538.165**	**103**	**0.02**
434203	Bank	6	FIRST HOPE BANK, A NATIONAL BANKING ASSOCIATION	HOPE	NJ	538.165			538.165			538.165			538.165		
3080209	**BHC**	**3**	**CTBC FINANCIAL HOLDING CO., LTD.**	**TAIPEI**		**534.187**	**117**	**0.02**	**534.187**	**105**	**0.02**	**534.187**	**116**	**0.02**	**534.187**	**104**	**0.02**
996260	Bank	3	CTBC BANK CORP. (USA)	LOS ANGELES	CA	534.187			534.187			534.187			534.187		
1199611	**BHC**	**2**	**NORTHERN TRUST CORPORATION**	**CHICAGO**	**IL**	**533.655**	**118**	**0.02**	**533.655**	**106**	**0.02**	**533.655**	**117**	**0.02**	**533.655**	**105**	**0.02**
210434	Bank	2	NORTHERN TRUST COMPANY, THE	CHICAGO	IL	533.655			533.655			533.655			533.655		
125707	**Bank**	**1**	**BANK OF CHINA**	**FLUSHING**	**NY**	**524.094**	**119**	**0.02**	**524.094**	**107**	**0.02**	**524.094**	**118**	**0.02**	**524.094**	**106**	**0.02**
3107964	**BHC**	**8**	**SHINHAN FINANCIAL GROUP CO., LTD.**	**SEOUL**		**520.977**	**120**	**0.02**	**520.977**	**108**	**0.02**	**520.977**	**119**	**0.02**	**520.977**	**107**	**0.02**
1494914	Bank	8	SHINHAN BANK AMERICA	NEW YORK	NY	520.977			520.977			520.977			520.977		
2728595	**SLHC**	**9**	**GREENE COUNTY BANCORP, MHC**	**CATSKILL**	**NY**	**1,037.473**	**83**	**0.04**	**518.736**	**109**	**0.02**	**1,037.473**	**82**	**0.04**	**518.736**	**108**	**0.02**
214106	Thrift	9	BANK OF GREENE COUNTY, THE	CATSKILL	NY	1,037.473			518.736			1,037.473			518.736		
5423547	**BHC**	**4**	**BOGOTA FINANCIAL, MHC**	**TEANECK**	**NJ**	**516.514**	**121**	**0.02**	**516.514**	**110**	**0.02**	**516.514**	**120**	**0.02**	**516.514**	**109**	**0.02**
927479	Thrift	4	BOGOTA SAVINGS BANK	TEANECK	NJ	516.514			516.514			516.514			516.514		
1048504	**BHC**	**12**	**JEFFERSONVILLE BANCORP**	**JEFFERSONVILLE**	**NY**	**511.112**	**122**	**0.02**	**511.112**	**111**	**0.02**	**511.112**	**121**	**0.02**	**511.112**	**110**	**0.02**
306908	Bank	12	JEFF BANK	JEFFERSONVILLE	NY	511.112			511.112			511.112			511.112		
626101	**Thrift**	**15**	**SAVINGS BANK OF DANBURY**	**DANBURY**	**CT**	**1,009.136**	**84**	**0.04**	**504.568**	**112**	**0.02**	**1,009.136**	**83**	**0.04**	**504.568**	**111**	**0.02**
2460569	**BHC**	**11**	**NVE BANCORP, MHC**	**ENGLEWOOD**	**NJ**	**503.685**	**123**	**0.02**	**503.685**	**113**	**0.02**	**503.685**	**122**	**0.02**	**503.685**	**112**	**0.02**
1012671	Thrift	11	NVE BANK	ENGLEWOOD	NJ	503.685			503.685			503.685			503.685		
301800	**Thrift**	**14**	**ULSTER SAVINGS BANK**	**KINGSTON**	**NY**	**978.527**	**86**	**0.04**	**489.264**	**114**	**0.02**	**978.527**	**85**	**0.04**	**489.264**	**113**	**0.02**
5115468	**SLHC**	**14**	**PONCE BANK MUTUAL HOLDING COMPANY**	**BRONX**	**NY**	**952.049**	**90**	**0.04**	**476.024**	**115**	**0.02**	**952.049**	**89**	**0.04**	**476.024**	**114**	**0.02**
897170	Thrift	14	PONCE BANK	BRONX	NY	952.049			476.024			952.049			476.024		
2702232	**BHC**	**4**	**RSI BANCORP, MHC**	**RAHWAY**	**NJ**	**474.682**	**125**	**0.02**	**474.682**	**116**	**0.02**	**474.682**	**124**	**0.02**	**474.682**	**115**	**0.02**

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
148809	Thrift	4	RSI BANK	RAHWAY	NJ	474.682			474.682			474.682			474.682		
5014794	**BHC**	**11**	**REGAL BANCORP INC.**	**LIVINGSTON**	**NJ**	**462.790**	**126**	**0.02**	**462.790**	**117**	**0.02**	**462.790**	**125**	**0.02**	**462.790**	**116**	**0.02**
3650563	Bank	11	REGAL BANK	LIVINGSTON	NJ	462.790			462.790			462.790			462.790		
3443998	**BHC**	**10**	**CATSKILL HUDSON BANCORP, INC.**	**KINGSTON**	**NY**	**451.884**	**127**	**0.02**	**451.884**	**118**	**0.02**	**451.884**	**126**	**0.02**	**451.884**	**117**	**0.02**
2132594	Bank	10	CATSKILL HUDSON BANK	MONTICELLO	NY	451.884			451.884			451.884			451.884		
1169650	**Bank**	**2**	**AMERASIA BANK**	**FLUSHING**	**NY**	**449.370**	**128**	**0.02**	**449.370**	**119**	**0.02**	**449.370**	**127**	**0.02**	**449.370**	**118**	**0.02**
587800	**Thrift**	**13**	**LIBERTY BANK**	**MIDDLETOWN**	**CT**	**854.260**	**95**	**0.03**	**427.130**	**120**	**0.02**	**854.260**	**94**	**0.03**	**427.130**	**119**	**0.02**
2365356	**BHC**	**12**	**NORWOOD FINANCIAL CORP.**	**HONESDALE**	**PA**	**420.795**	**130**	**0.02**	**420.795**	**121**	**0.02**	**420.795**	**129**	**0.02**	**420.795**	**120**	**0.02**
59316	Bank	12	WAYNE BANK	HONESDALE	PA	420.795			420.795			420.795			420.795		
3472859	**Bank**	**6**	**NEWBANK**	**FLUSHING**	**NY**	**419.342**	**131**	**0.02**	**419.342**	**122**	**0.02**	**419.342**	**130**	**0.02**	**419.342**	**121**	**0.02**
5010844	**BHC**	**5**	**FREEDOM BANCORP, INC.**	**MAYWOOD**	**NJ**	**416.964**	**133**	**0.02**	**416.964**	**123**	**0.02**	**416.964**	**132**	**0.02**	**416.964**	**122**	**0.02**
3729124	Bank	5	FREEDOM BANK	MAYWOOD	NJ	416.964			416.964			416.964			416.964		
120609	**Thrift**	**10**	**THOMASTON SAVINGS BANK**	**THOMASTON**	**CT**	**810.296**	**96**	**0.03**	**405.148**	**124**	**0.02**	**810.296**	**95**	**0.03**	**405.148**	**123**	**0.02**
3439610	**BHC**	**5**	**ES BANCSHARES, INC**	**NEWBURGH**	**NY**	**374.498**	**136**	**0.02**	**374.498**	**125**	**0.02**	**374.498**	**135**	**0.02**	**374.498**	**124**	**0.02**
3277241	Bank	5	EMPIRE STATE BANK	NEWBURGH	NY	374.498			374.498			374.498			374.498		
2686211	**Bank**	**13**	**CROWN BANK**	**ELIZABETH**	**NJ**	**373.784**	**137**	**0.02**	**373.784**	**126**	**0.02**	**373.784**	**136**	**0.02**	**373.784**	**125**	**0.02**
5011832	**BHC**	**7**	**NMB FINANCIAL CORPORATION**	**FORT LEE**	**NJ**	**372.493**	**138**	**0.02**	**372.493**	**127**	**0.02**	**372.493**	**137**	**0.02**	**372.493**	**126**	**0.02**
2833882	Bank	7	NEW MILLENNIUM BANK	FORT LEE	NJ	372.493			372.493			372.493			372.493		
3227947	**BHC**	**6**	**MARINER'S BANCORP**	**EDGEWATER**	**NJ**	**367.006**	**139**	**0.01**	**367.006**	**128**	**0.02**	**367.006**	**138**	**0.01**	**367.006**	**127**	**0.02**
3010000	Bank	6	MARINERS BANK	EDGEWATER	NJ	367.006			367.006			367.006			367.006		
4894588	**BHC**	**3**	**FIRST GREENWICH FINANCIAL, INC.**	**COS COB**	**CT**	**357.344**	**140**	**0.01**	**357.344**	**129**	**0.02**	**357.344**	**139**	**0.01**	**357.344**	**128**	**0.02**
3466988	Bank	3	FIRST BANK OF GREENWICH, THE	COS COB	CT	357.344			357.344			357.344			357.344		
2065432	**BHC**	**5**	**DIMECO, INC**	**HONESDALE**	**PA**	**353.119**	**141**	**0.01**	**353.119**	**130**	**0.02**	**353.119**	**140**	**0.01**	**353.119**	**129**	**0.02**
56717	Bank	5	DIME BANK, THE	HONESDALE	PA	353.119			353.119			353.119			353.119		
3685396	**Bank**	**1**	**SAVOY BANK**	**NEW YORK**	**NY**	**347.988**	**142**	**0.01**	**347.988**	**131**	**0.02**	**347.988**	**141**	**0.01**	**347.988**	**130**	**0.02**
1918344	**Bank**	**1**	**PREFERRED BANK**	**LOS ANGELES**	**CA**	**347.428**	**143**	**0.01**	**347.428**	**132**	**0.02**	**347.428**	**142**	**0.01**	**347.428**	**131**	**0.02**
2863946	**BHC**	**8**	**ASSOCIATED COMMUNITY BANCORP, INC.**	**GREENWICH**	**CT**	**337.094**	**144**	**0.01**	**337.094**	**133**	**0.01**	**337.094**	**143**	**0.01**	**337.094**	**132**	**0.01**
2756909	Bank	8	CONNECTICUT COMMUNITY BANK, NATIONAL ASSOCIATION	WESTPORT	CT	337.094			337.094			337.094			337.094		
1094640	**BHC**	**1**	**FIRST HORIZON CORPORATION**	**MEMPHIS**	**TN**	**319.374**	**146**	**0.01**	**319.374**	**134**	**0.01**	**319.374**	**145**	**0.01**	**319.374**	**133**	**0.01**
485559	Bank	1	FIRST HORIZON BANK	MEMPHIS	TN	319.374			319.374			319.374			319.374		
3958821	**BHC**	**2**	**ALCAR INC.**	**NEW YORK**	**NY**	**317.076**	**147**	**0.01**	**317.076**	**135**	**0.01**	**317.076**	**146**	**0.01**	**317.076**	**134**	**0.01**
3428258	Bank	2	DR BANK	DARIEN	CT	317.076			317.076			317.076			317.076		
341310	**Thrift**	**11**	**WALDEN SAVINGS BANK**	**MONTGOMERY**	**NY**	**625.066**	**106**	**0.03**	**312.533**	**136**	**0.01**	**625.066**	**105**	**0.03**	**312.533**	**135**	**0.01**

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
3793143	**SLHC**	**7**	**NORTHEAST COMMUNITY BANCORP, MHC**	**WHITE PLAINS**	**NY**	**613.641**	**107**	**0.03**	**306.820**	**137**	**0.01**	**613.641**	**106**	**0.03**	**306.820**	**136**	**0.01**
823478	Thrift	7	NORTHEAST COMMUNITY BANK	WHITE PLAINS	NY	613.641			306.820			613.641			306.820		
2797359	**Thrift**	**9**	**FIRST CENTRAL SAVINGS BANK**	**GLEN COVE**	**NY**	**577.195**	**112**	**0.02**	**288.598**	**138**	**0.01**	**577.195**	**111**	**0.02**	**288.598**	**137**	**0.01**
1048513	**SLHC**	**27**	**TRUSTCO BANK CORP NY**	**GLENVILLE**	**NY**	**563.571**	**113**	**0.02**	**281.786**	**139**	**0.01**	**563.571**	**112**	**0.02**	**281.786**	**138**	**0.01**
677176	Thrift	27	TRUSTCO BANK	GLENVILLE	NY	563.571			281.786			563.571			281.786		
107244	**Bank**	**2**	**BANK OZK**	**LITTLE ROCK**	**AR**	**280.403**	**151**	**0.01**	**280.403**	**140**	**0.01**	**280.403**	**150**	**0.01**	**280.403**	**139**	**0.01**
1117213	**BHC**	**5**	**PALM BANCORP**	**PALMERTON**	**PA**	**272.804**	**152**	**0.01**	**272.804**	**141**	**0.01**	**272.804**	**151**	**0.01**	**272.804**	**140**	**0.01**
186717	Bank	5	FIRST NORTHERN BANK AND TRUST COMPANY	PALMERTON	PA	272.804			272.804			272.804			272.804		
2531245	**SLHC**	**7**	**CARVER BANCORP, INC.**	**NEW YORK**	**NY**	**545.460**	**115**	**0.02**	**272.730**	**142**	**0.01**	**545.460**	**114**	**0.02**	**272.730**	**141**	**0.01**
268677	Thrift	7	CARVER FEDERAL SAVINGS BANK	NEW YORK	NY	545.460			272.730			545.460			272.730		
3388165	**Bank**	**5**	**NOAH BANK**	**ELKINS PARK**	**PA**	**244.701**	**153**	**0.01**	**244.701**	**143**	**0.01**	**244.701**	**152**	**0.01**	**244.701**	**142**	**0.01**
159971	**Thrift**	**7**	**SOMERSET SAVINGS BANK, SLA**	**BOUND BROOK**	**NJ**	**485.192**	**124**	**0.02**	**242.596**	**144**	**0.01**	**485.192**	**123**	**0.02**	**242.596**	**143**	**0.01**
2937100	**BHC**	**4**	**CONNECTICUT MUTUAL HOLDING COMPANY**	**WINSTED**	**CT**	**225.784**	**154**	**0.01**	**225.784**	**145**	**0.01**	**225.784**	**153**	**0.01**	**225.784**	**144**	**0.01**
545604	Thrift	4	NORTHWEST COMMUNITY BANK	WINSTED	CT	225.784			225.784			225.784			225.784		
3368916	**BHC**	**2**	**CHECKSPRING COMMUNITY CORPORATION**	**BRONX**	**NY**	**222.311**	**155**	**0.01**	**222.311**	**146**	**0.01**	**222.311**	**154**	**0.01**	**222.311**	**145**	**0.01**
3368925	Bank	2	SPRING BANK	BRONX	NY	222.311			222.311			222.311			222.311		
1136344	**BHC**	**6**	**BRUNSWICK BANCORP**	**NEW BRUNSWICK**	**NJ**	**218.949**	**156**	**0.01**	**218.949**	**147**	**0.01**	**218.949**	**155**	**0.01**	**218.949**	**146**	**0.01**
463203	Bank	6	BRUNSWICK BANK AND TRUST COMPANY	NEW BRUNSWICK	NJ	218.949			218.949			218.949			218.949		
2646998	**BHC**	**4**	**MILLBROOK BANK SYSTEM, INC.**	**MILLBROOK**	**NY**	**218.467**	**157**	**0.01**	**218.467**	**148**	**0.01**	**218.467**	**156**	**0.01**	**218.467**	**147**	**0.01**
175609	Bank	4	BANK OF MILLBROOK	MILLBROOK	NY	218.467			218.467			218.467			218.467		
1139279	**BHC**	**6**	**NBT BANCORP INC.**	**NORWICH**	**NY**	**214.250**	**158**	**0.01**	**214.250**	**149**	**0.01**	**214.250**	**157**	**0.01**	**214.250**	**148**	**0.01**
702117	Bank	6	NBT BANK, NATIONAL ASSOCIATION	NORWICH	NY	214.250			214.250			214.250			214.250		
1007873	**Thrift**	**6**	**CROSS COUNTY SAVINGS BANK**	**MIDDLE VILLAGE**	**NY**	**422.035**	**129**	**0.02**	**211.018**	**150**	**0.01**	**422.035**	**128**	**0.02**	**211.018**	**149**	**0.01**
4098537	**SLHC**	**3**	**QUONTIC BANK ACQUISITION CORP.**	**NEW YORK**	**NY**	**417.024**	**132**	**0.02**	**208.512**	**151**	**0.01**	**417.024**	**131**	**0.02**	**208.512**	**150**	**0.01**
3340725	Thrift	3	QUONTIC BANK	NEW YORK	NY	417.024			208.512			417.024			208.512		
258306	**Thrift**	**7**	**MILFORD BANK, THE**	**MILFORD**	**CT**	**412.886**	**134**	**0.02**	**206.443**	**152**	**0.01**	**412.886**	**133**	**0.02**	**206.443**	**151**	**0.01**
4111584	**BHC**	**5**	**AMERICAN COMMUNITY BANCORP, INC.**	**GLEN COVE**	**NY**	**204.140**	**162**	**0.01**	**204.140**	**153**	**0.01**	**204.140**	**161**	**0.01**	**204.140**	**152**	**0.01**
2871558	Bank	5	AMERICAN COMMUNITY BANK	GLEN COVE	NY	204.140			204.140			204.140			204.140		
3805279	**BHC**	**1**	**MALVERN BANCORP, INC.**	**PAOLI**	**PA**	**199.090**	**163**	**0.01**	**199.090**	**154**	**0.01**	**199.090**	**162**	**0.01**	**199.090**	**153**	**0.01**

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
676478	Bank	1	MALVERN BANK, NATIONAL ASSOCIATION	PAOLI	PA	199.090			199.090			199.090			199.090		
2889227	Bank	1	ALPINE CAPITAL BANK	NEW YORK	NY	199.009	164	0.01	199.009	155	0.01	199.009	163	0.01	199.009	154	0.01
425108	Thrift	5	RONDOUT SAVINGS BANK	KINGSTON	NY	377.099	135	0.02	188.550	156	0.01	377.099	134	0.02	188.550	155	0.01
3400937	BHC	3	HANA FINANCIAL GROUP INC.	SEOUL		188.020	166	0.01	188.020	157	0.01	188.020	165	0.01	188.020	156	0.01
609609	Bank	3	KEB HANA BANK USA, NATIONAL ASSOCIATION	FORT LEE	NJ	188.020			188.020			188.020			188.020		
3888414	BHC	2	FREEHOLD MHC	FREEHOLD	NJ	184.123	167	0.01	184.123	158	0.01	184.123	166	0.01	184.123	157	0.01
588478	Thrift	2	FREEHOLD BANK	FREEHOLD	NJ	184.123			184.123			184.123			184.123		
2916534	Thrift	1	M.Y. SAFRA BANK, FSB	NEW YORK	NY	334.320	145	0.01	167.160	159	0.01	334.320	144	0.01	167.160	158	0.01
1118265	BHC	3	FIRST KEYSTONE CORPORATION	BERWICK	PA	166.398	168	0.01	166.398	160	0.01	166.398	167	0.01	166.398	159	0.01
790918	Bank	3	FIRST KEYSTONE COMMUNITY BANK	BERWICK	PA	166.398			166.398			166.398			166.398		
502111	Bank	1	NATIONAL BANK OF NEW YORK CITY	FLUSHING	NY	158.165	169	0.01	158.165	161	0.01	158.165	168	0.01	158.165	160	0.01
3561771	Bank	1	GLOBAL BANK	NEW YORK	NY	154.279	170	0.01	154.279	162	0.01	154.279	169	0.01	154.279	161	0.01
1135468	BHC	1	DELTA INVESTMENT COMPANY (CAYMAN)	GEORGE TOWN		152.842	171	0.01	152.842	163	0.01	152.842	170	0.01	152.842	162	0.01
65513	Bank	1	DELTA NATIONAL BANK AND TRUST COMPANY	NEW YORK	NY	152.842			152.842			152.842			152.842		
5419205	BHC	1	IFB BANCORP, INC.	MIAMI	FL	149.764	172	0.01	149.764	164	0.01	149.764	171	0.01	149.764	163	0.01
867632	Bank	1	INTERNATIONAL FINANCE BANK	MIAMI	FL	149.764			149.764			149.764			149.764		
762773	Thrift	5	ABACUS FEDERAL SAVINGS BANK	NEW YORK	NY	295.125	148	0.01	147.562	165	0.01	295.125	147	0.01	147.562	164	0.01
5117592	SLHC	8	WALLKILL VALLEY BANCORP MHC	WALLKILL	NY	294.554	149	0.01	147.277	166	0.01	294.554	148	0.01	147.277	165	0.01
7072	Thrift	8	WALLKILL VALLEY FEDERAL SAVINGS AND LOAN ASSOCIATION	WALLKILL	NY	294.554			147.277			294.554			147.277		
3789986	SLHC	4	LUSITANIA FINANCIAL, MHC	NEWARK	NJ	293.683	150	0.01	146.842	167	0.01	293.683	149	0.01	146.842	166	0.01
385686	Thrift	4	LUSITANIA SAVINGS BANK	NEWARK	NJ	293.683			146.842			293.683			146.842		
1398807	BHC	2	REPUBLIC FIRST BANCORP, INC.	PHILADELPHIA	PA	144.003	173	0.01	144.003	168	0.01	144.003	172	0.01	144.003	167	0.01
1216321	Bank	2	REPUBLIC BANK	PHILADELPHIA	PA	144.003			144.003			144.003			144.003		
2698906	BHC	2	EVERGREEN HOLDINGS, LLC	NEW YORK	NY	135.919	174	0.01	135.919	169	0.01	135.919	173	0.01	135.919	168	0.01
98717	Bank	2	EASTBANK, NATIONAL ASSOCIATION	NEW YORK	NY	135.919			135.919			135.919			135.919		
2589666	BHC	1	UNITED ROOSEVELT MHC	CARTERET	NJ	132.152	175	0.01	132.152	170	0.01	132.152	174	0.01	132.152	169	0.01
644776	Thrift	1	UNITED ROOSEVELT SAVINGS BANK	CARTERET	NJ	132.152			132.152			132.152			132.152		
287007	Bank	6	PUTNAM COUNTY NATIONAL BANK OF CARMEL, THE	CARMEL	NY	127.502	176	0.01	127.502	171	0.01	127.502	175	0.01	127.502	170	0.01

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
2606693	**BHC**	**3**	**IRON BANCSHARES, INC.**	**SALISBURY**	**CT**	**125.510**	**177**	**0.01**	**125.510**	**172**	**0.01**	**125.510**	**176**	**0.01**	**125.510**	**171**	**0.01**
1008209	Bank	3	NATIONAL IRON BANK, THE	SALISBURY	CT	125.510			125.510			125.510			125.510		
2326179	**BHC**	**3**	**IBW FINANCIAL CORPORATION**	**WASHINGTON D.C.**	**DC**	**111.562**	**178**	**0.00**	**111.562**	**173**	**0.00**	**111.562**	**177**	**0.00**	**111.562**	**172**	**0.00**
536527	Bank	3	INDUSTRIAL BANK	WASHINGTON D.C.	DC	111.562			111.562			111.562			111.562		
4750086	**BHC**	**3**	**METROCITY BANKSHARES, INC.**	**DORAVILLE**	**GA**	**106.728**	**179**	**0.00**	**106.728**	**174**	**0.00**	**106.728**	**178**	**0.00**	**106.728**	**173**	**0.00**
3437456	Bank	3	METRO CITY BANK	DORAVILLE	GA	106.728			106.728			106.728			106.728		
147679	**Thrift**	**4**	**GLEN ROCK SAVINGS BANK**	**GLEN ROCK**	**NJ**	**208.857**	**159**	**0.01**	**104.428**	**175**	**0.00**	**208.857**	**158**	**0.01**	**104.428**	**174**	**0.00**
605610	**Thrift**	**3**	**SAWYER SAVINGS BANK**	**SAUGERTIES**	**NY**	**207.272**	**160**	**0.01**	**103.636**	**176**	**0.00**	**207.272**	**159**	**0.01**	**103.636**	**175**	**0.00**
3790487	**SLHC**	**2**	**LINCOLN PARK BANCORP, MHC**	**LINCOLN PARK**	**NJ**	**206.362**	**161**	**0.01**	**103.181**	**177**	**0.00**	**206.362**	**160**	**0.01**	**103.181**	**176**	**0.00**
930871	Thrift	2	LINCOLN 1ST BANK	LINCOLN PARK	NJ	206.362			103.181			206.362			103.181		
3793125	**SLHC**	**1**	**COMMUNITY FSB HOLDING COMPANY**	**WOODHAVEN**	**NY**	**192.693**	**165**	**0.01**	**96.346**	**178**	**0.00**	**192.693**	**164**	**0.01**	**96.346**	**177**	**0.00**
3040418	Thrift	1	COMMUNITY FEDERAL SAVINGS BANK	WOODHAVEN	NY	192.693			96.346			192.693			96.346		
1048867	**BHC**	**2**	**COMMUNITY BANK SYSTEM, INC.**	**DE WITT**	**NY**	**92.801**	**182**	**0.00**	**92.801**	**179**	**0.00**	**92.801**	**181**	**0.00**	**92.801**	**178**	**0.00**
202907	Bank	2	COMMUNITY BANK, NATIONAL ASSOCIATION	CANTON	NY	92.801			92.801			92.801			92.801		
1074156	**BHC**	**2**	**TRUIST FINANCIAL CORPORATION**	**CHARLOTTE**	**NC**	**88.730**	**185**	**0.00**	**88.730**	**180**	**0.00**	**88.730**	**184**	**0.00**	**88.730**	**179**	**0.00**
852320	Bank	2	TRUIST BANK	CHARLOTTE	NC	88.730			88.730			88.730			88.730		
5342974	**Bank**	**1**	**PIERMONT BANK**	**NEW YORK**	**NY**	**84.567**	**187**	**0.00**	**84.567**	**181**	**0.00**	**84.567**	**186**	**0.00**	**84.567**	**180**	**0.00**
1491409	**BHC**	**1**	**HOME BANCSHARES, INC.**	**CONWAY**	**AR**	**82.964**	**188**	**0.00**	**82.964**	**182**	**0.00**	**82.964**	**187**	**0.00**	**82.964**	**181**	**0.00**
456045	Bank	1	CENTENNIAL BANK	CONWAY	AR	82.964			82.964			82.964			82.964		
3595084	**BHC**	**2**	**PCB BANCORP**	**LOS ANGELES**	**CA**	**81.694**	**190**	**0.00**	**81.694**	**183**	**0.00**	**81.694**	**189**	**0.00**	**81.694**	**182**	**0.00**
3212402	Bank	2	PACIFIC CITY BANK	LOS ANGELES	CA	81.694			81.694			81.694			81.694		
1139541	**BHC**	**1**	**PEOPLES FINANCIAL SERVICES CORPORATION**	**SCRANTON**	**PA**	**68.403**	**192**	**0.00**	**68.403**	**184**	**0.00**	**68.403**	**191**	**0.00**	**68.403**	**183**	**0.00**
278818	Bank	1	PEOPLES SECURITY BANK AND TRUST COMPANY	SCRANTON	PA	68.403			68.403			68.403			68.403		
70218	**Bank**	**2**	**UNITED ORIENT BANK**	**NEW YORK**	**NY**	**68.375**	**193**	**0.00**	**68.375**	**185**	**0.00**	**68.375**	**192**	**0.00**	**68.375**	**184**	**0.00**
2900261	**BHC**	**2**	**HANMI FINANCIAL CORPORATION**	**LOS ANGELES**	**CA**	**67.086**	**194**	**0.00**	**67.086**	**186**	**0.00**	**67.086**	**193**	**0.00**	**67.086**	**185**	**0.00**
657365	Bank	2	HANMI BANK	LOS ANGELES	CA	67.086			67.086			67.086			67.086		
3005332	**BHC**	**1**	**F.N.B. CORPORATION**	**PITTSBURGH**	**PA**	**51.806**	**195**	**0.00**	**51.806**	**187**	**0.00**	**51.806**	**194**	**0.00**	**51.806**	**186**	**0.00**
379920	Bank	1	FIRST NATIONAL BANK OF PENNSYLVANIA	GREENVILLE	PA	51.806			51.806			51.806			51.806		
3844269	**SLHC**	**1**	**WSFS FINANCIAL CORPORATION**	**WILMINGTON**	**DE**	**103.466**	**180**	**0.00**	**51.733**	**188**	**0.00**	**103.466**	**179**	**0.00**	**51.733**	**187**	**0.00**
437914	Thrift	1	WILMINGTON SAVINGS FUND SOCIETY, FSB	WILMINGTON	DE	103.466			51.733			103.466			51.733		

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
1144107	**BHC**	**2**	**HONAT BANCORP, INC.**	**HONESDALE**	**PA**	**48.269**	**196**	**0.00**	**48.269**	**189**	**0.00**	**48.269**	**195**	**0.00**	**48.269**	**188**	**0.00**
465618	Bank	2	HONESDALE NATIONAL BANK, THE	HONESDALE	PA	48.269			48.269			48.269			48.269		
5215715	**BHC**	**1**	**GRASSHOPPER BANCORP, INC.**	**NEW YORK**	**NY**	**47.415**	**197**	**0.00**	**47.415**	**190**	**0.00**	**47.415**	**196**	**0.00**	**47.415**	**189**	**0.00**
5210989	Bank	1	GRASSHOPPER BANK, N.A.	NEW YORK	NY	47.415			47.415			47.415			47.415		
3589980	**BHC**	**2**	**FIRST IC CORPORATION**	**DORAVILLE**	**GA**	**47.000**	**198**	**0.00**	**47.000**	**191**	**0.00**	**47.000**	**197**	**0.00**	**47.000**	**190**	**0.00**
2877840	Bank	2	FIRST IC BANK	DORAVILLE	GA	47.000			47.000			47.000			47.000		
657178	**Thrift**	**2**	**SCHUYLER SAVINGS BANK**	**KEARNY**	**NJ**	**93.856**	**181**	**0.00**	**46.928**	**192**	**0.00**	**93.856**	**180**	**0.00**	**46.928**	**191**	**0.00**
564678	**Thrift**	**2**	**GSL SAVINGS BANK**	**GUTTENBERG**	**NJ**	**91.937**	**183**	**0.00**	**45.968**	**193**	**0.00**	**91.937**	**182**	**0.00**	**45.968**	**192**	**0.00**
565170	**Thrift**	**1**	**FIRST FEDERAL SAVINGS OF MIDDLETOWN**	**MIDDLETOWN**	**NY**	**89.718**	**184**	**0.00**	**44.859**	**194**	**0.00**	**89.718**	**183**	**0.00**	**44.859**	**193**	**0.00**
65205	**Thrift**	**2**	**TORRINGTON SAVINGS BANK, THE**	**TORRINGTON**	**CT**	**87.310**	**186**	**0.00**	**43.655**	**195**	**0.00**	**87.310**	**185**	**0.00**	**43.655**	**194**	**0.00**
670775	**Thrift**	**3**	**GIBRALTAR BANK**	**PARSIPPANY**	**NJ**	**82.350**	**189**	**0.00**	**41.175**	**196**	**0.00**	**82.350**	**188**	**0.00**	**41.175**	**195**	**0.00**
4495220	**SLHC**	**1**	**SUNNYSIDE BANCORP, INC.**	**IRVINGTON**	**NY**	**78.944**	**191**	**0.00**	**39.472**	**197**	**0.00**	**78.944**	**190**	**0.00**	**39.472**	**196**	**0.00**
516873	Thrift	1	SUNNYSIDE FEDERAL SAVINGS AND LOAN ASSOCIATION OF IRVINGTON	IRVINGTON	NY	78.944			39.472			78.944			39.472		
3852031	**SLHC**	**2**	**STERLING BANCORP, INC.**	**SOUTHFIELD**	**MI**	**46.124**	**199**	**0.00**	**23.062**	**198**	**0.00**	**46.124**	**198**	**0.00**	**23.062**	**197**	**0.00**
979375	Thrift	2	STERLING BANK AND TRUST, FSB	SOUTHFIELD	MI	46.124			23.062			46.124			23.062		
2339759	**BHC**	**1**	**IBC BANCORP, INC.**	**CHICAGO**	**IL**	**17.502**	**201**	**0.00**	**17.502**	**199**	**0.00**	**17.502**	**200**	**0.00**	**17.502**	**198**	**0.00**
2006024	Bank	1	INTERNATIONAL BANK OF CHICAGO	CHICAGO	IL	17.502			17.502			17.502			17.502		
828473	**Thrift**	**1**	**CITIZENS SAVINGS BANK**	**CLARKS SUMMIT**	**PA**	**32.647**	**200**	**0.00**	**16.324**	**200**	**0.00**	**32.647**	**199**	**0.00**	**16.324**	**199**	**0.00**
4199229	**BHC**	**3**	**WOODFOREST FINANCIAL GROUP EMPLOYEE STOCK OWNERSHIP PLAN (WITH 401(K) PROVISIONS) (AMENDED AND RESTATED EFF. 03/01/06)**	**THE WOODLANDS**	**TX**	**14.638**	**202**	**0.00**	**14.638**	**201**	**0.00**	**14.638**	**201**	**0.00**	**14.638**	**200**	**0.00**
412751	Bank	3	WOODFOREST NATIONAL BANK	THE WOODLANDS	TX	14.638			14.638			14.638			14.638		
449515	**Bank**	**1**	**METROPOLITAN BANK AND TRUST COMPANY**	**NEW YORK**	**NY**	**9.945**	**203**	**0.00**	**9.945**	**202**	**0.00**	**9.945**	**202**	**0.00**	**9.945**	**201**	**0.00**
2107707	**BHC**	**1**	**DICKINSON FINANCIAL CORPORATION II**	**KANSAS CITY**	**MO**	**6.654**	**204**	**0.00**	**6.654**	**203**	**0.00**	**6.654**	**203**	**0.00**	**6.654**	**202**	**0.00**
983457	Bank	1	ARMED FORCES BANK, NATIONAL ASSOCIATION	FORT LEAVENWORTH	KS	6.654			6.654			6.654			6.654		
3818804	**BHC**	**1**	**BEAL FINANCIAL CORPORATION**	**PLANO**	**TX**	**0.113**	**206**	**0.00**	**0.113**	**204**	**0.00**	**0.113**	**205**	**0.00**	**0.113**	**203**	**0.00**
1176881	Bank	1	BEAL BANK	PLANO	TX	0.113			0.113			0.113			0.113		
2380443	**BHC**	**2**	**GOLDMAN SACHS GROUP, INC., THE**	**NEW YORK**	**NY**	**155,577.000**	**4**	**6.35**	**0.000**	**205**	**0.00**	**155,577.000**	**4**	**6.35**	**0.000**	**204**	**0.00**

						Pre Merger						Post Merger					
						Unweighted			Weighted ***			Unweighted			Weighted ***		
RSSDID	Type	Branches	Name	City	State	Deposits**	Rank	%	Deposits	Rank	%	Deposits**	Rank	%	Deposits	Rank	%
2182786	Bank	2	GOLDMAN SACHS BANK USA	NEW YORK	NY	155,577.000			0.000			155,577.000			0.000		
3284397	**Bank**	**2**	**BEAL BANK USA**	**LAS VEGAS**	**NV**	**2.959**	**205**	**0.00**	**0.000**	**206**	**0.00**	**2.959**	**204**	**0.00**	**0.000**	**205**	**0.00**
3583700	**BHC**	**1**	**AMG NATIONAL CORP.**	**GREENWOOD VILLAGE**	**CO**	**0.000**	**207**	**0.00**	**0.000**	**207**	**0.00**	**0.000**	**206**	**0.00**	**0.000**	**206**	**0.00**
3015939	Bank	1	AMG NATIONAL TRUST BANK	BOULDER	CO	0.000			0.000			0.000			0.000		
4923497	**BHC**	**1**	**ATLANTIC COMMUNITY BANCSHARES INC**	**CAMP HILL**	**PA**	**0.000**	**208**	**0.00**	**0.000**	**208**	**0.00**	**0.000**	**207**	**0.00**	**0.000**	**207**	**0.00**
959715	Bank	1	ATLANTIC COMMUNITY BANKERS BANK	CAMP HILL	PA	0.000			0.000			0.000			0.000		
975751	**Bank**	**1**	**CIBC NATIONAL TRUST COMPANY**	**ATLANTA**	**GA**	**0.000**	**209**	**0.00**	**0.000**	**209**	**0.00**	**0.000**	**208**	**0.00**	**0.000**	**208**	**0.00**
1199844	**BHC**	**1**	**COMERICA INCORPORATED**	**DALLAS**	**TX**	**0.000**	**210**	**0.00**	**0.000**	**210**	**0.00**	**0.000**	**209**	**0.00**	**0.000**	**209**	**0.00**
60143	Bank	1	COMERICA BANK	DALLAS	TX	0.000			0.000			0.000			0.000		
2795083	**BHC**	**4**	**MHBC INVESTMENTS LIMITED PARTNERSHIP I LLLP**	**ENGLAND**	**AR**	**0.000**	**211**	**0.00**	**0.000**	**211**	**0.00**	**0.000**	**210**	**0.00**	**0.000**	**210**	**0.00**
244149	Bank	4	BANK OF ENGLAND	ENGLAND	AR	0.000			0.000			0.000			0.000		
1111435	**BHC**	**1**	**STATE STREET CORPORATION**	**BOSTON**	**MA**	**0.000**	**212**	**0.00**	**0.000**	**212**	**0.00**	**0.000**	**211**	**0.00**	**0.000**	**211**	**0.00**
35301	Bank	1	STATE STREET BANK AND TRUST COMPANY	BOSTON	MA	0.000			0.000			0.000			0.000		
3792687	**SLHC**	**1**	**TIAA BOARD OF OVERSEERS**	**NEW YORK**	**NY**	**0.000**	**213**	**0.00**	**0.000**	**213**	**0.00**	**0.000**	**212**	**0.00**	**0.000**	**212**	**0.00**
2735146	Thrift	1	TIAA FSB	JACKSONVILLE	FL	0.000			0.000			0.000			0.000		
Totals:		5825				2,450,261.828		100.00	2,273,465.084		100.00	2,450,261.828		100.00	2,273,465.084		100.00

Notes:

*** The geographic market is defined as: Fairfield County, CT;**

Bethlehem, Bridgewater, Canaan, Cornwall, Goshen, Kent, Litchfield, Morris, New Milford, North Canaan, Plymouth, Roxbury, Salisbury, Sharon, Thomaston, Warren, Washington, Watertown, and Woodbury towns in Litchfield County, CT;

Ansonia, Beacon Falls, Bethany, Cheshire, Derby, Hamden, Meriden, Middlebury, Milford, Naugatuck, North Haven, Orange, Oxford, Prospect, Seymour, Southbury, Wallingford, Waterbury, Wolcott, and Woodbridge in New Haven County, CT;

Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster and Westchester Counties, NY;

Hudson city, Ancram, Clermont, Copake, Gallatin, Germantown, Greenport, Livingston, and Taghkanic towns in Columbia County, NY;

Catskill, Halcott, Hunter, and Lexington towns in Greene County, NY;

Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, and Union Counties, NJ;

Pemberton and Wrightstown boroughs, Bass River, New Hanover, North Hanover, Pemberton, Shamong, Southampton, Tabernacle, Washington, and Woodland townships in Burlington County, NJ;

Hightstown, Hopewell, Pennington, Princeton boroughs, East Windsor, Ewing, Hopewell, Lawrence, Princeton, Robbinsville, and West Windsor townships in

Mercer County, NJ;
Washington borough, Belvidere and Hackettstown towns, Allamuchy, Blairstown, Franklin, Frelinghuysen, Greenwich, Hardwick, Harmony, Hope, Independence, Knowlton,
Liberty, Lopatcong, Mansfield, Oxford, Washington, and White townships in Warren County, NJ;
Pike County, PA;
Delaware Water Gap, East Stroudsburg, Mount Pocono, and Stroudsburg boroughs, Barrett, Coolbaugh, Middle Smithfield, Paradise, Pocono, Price, Smithfield, and Stroud townships in Monroe County, PA; and
Hawley borough, Berlin, Damascus, Dreher, Lebanon, Manchester, Oregon, Palmyra, Paupack, Salem, and Sterling townships in Wayne County, PA.

**** Financial data (in millions of dollars) is as of Jun. 30, 2020, and reflects currently known ownership structure.**

***** Deposits of thrift institutions are weighted at 50 percent, unless otherwise noted. Deposits of thrift subsidiaries of commercial banking organizations, however, are weighted at 100 percent.**

Public Exhibit 19

Sterling Bank Branches

BranchType (select one from list)	BranchTypeCode	PopularBranchName	AddressLine1	AddressLine2	AddressCity	AddressState	AddressZIP	AddressZIP4	BranchCounty(select)	AddressCountyID	BranchCertificationNumber
Staffed Branch (1)	-1	Sterling National Bank	2 Blue Hill Plz		Pearl River	NY	10965		Rockland County	-1	
Staffed Branch (1)	-1	Orangeburg Branch	375 Route 303		Orangeburg	NY	10962		Rockland County	-1	
Staffed Branch (1)	-1	Congers Branch	1 Lake Road West	Suite 1	Congers	NY	10920		Rockland County	-1	
Staffed Branch (1)	-1	Airmont Branch	196 Route 59		Airmont	NY	10901		Rockland County	-1	
Staffed Branch (1)	-1	Nanuet Branch	44 West Route 59		Nanuet	NY	10954		Rockland County	-1	
Staffed Branch (1)	-1	Haverstraw Branch	38-40 New Main Street		Haverstraw	NY	10927		Rockland County	-1	
Staffed Branch (1)	-1	Florida Branch	7 Edward J. Lempka Drive		Florida	NY	10921		Orange County	-1	
Staffed Branch (1)	-1	Warwick Branch	18 Oakland Avenue		Warwick	NY	10990		Orange County	-1	
Staffed Branch (1)	-1	Monroe Branch	591 Route 17m		Monroe	NY	10950		Orange County	-1	
Staffed Branch (1)	-1	Goshen Branch	60 Matthews Street		Goshen	NY	10924		Orange County	-1	
Staffed Branch (1)	-1	New City Branch	179 South Main Street		New City	NY	10956		Rockland County	-1	
Staffed Branch (1)	-1	Stony Point Branch	153 South Liberty Dr	Route 9w	Stony Point	NY	10980		Rockland County	-1	
Staffed Branch (1)	-1	Wallkill East Branch	1 Industrial Drive	Suite 100	Middletown	NY	10941		Orange County	-1	
Staffed Branch (1)	-1	South Fallsburg Branch	5193 Main Street		South Fallsburg	NY	12779		Sullivan County	-1	
Staffed Branch (1)	-1	Ellenville Branch	70 Canal Street		Ellenville	NY	12428		Ulster County	-1	
Staffed Branch (1)	-1	Fifth Avenue Branch	489 Fifth Avenue		New York	NY	10017		New York County	-1	
Staffed Branch (1)	-1	Seventh Avenue Branch	500-512 Seventh Ave		New York	NY	10018		New York County	-1	
Staffed Branch (1)	-1	Mclean Avenue Branch	865 Mclean Avenue		Yonkers	NY	10704		Westchester County	-1	
Staffed Branch (1)	-1	Getty Square Branch	61 South Broadway		Yonkers	NY	10701		Westchester County	-1	
Staffed Branch (1)	-1	Allerton Branch	975 Allerton Avenue		Bronx	NY	10469		Bronx	-1	
Staffed Branch (1)	-1	Church Street Branch	40 Church Street		White Plains	NY	10601		Westchester County	-1	
Staffed Branch (1)	-1	Grassy Sprain Branch	35 East Grassy Sprain Road		Yonkers	NY	10710		Westchester County	-1	
Staffed Branch (1)	-1	Astoria Branch	37-16 30th Avenue		Long Island City	NY	11103		Queens	-1	
Staffed Branch (1)	-1	Franklin Square Branch	955 Hempstead Turnpike		Franklin Square	NY	11010		Nassau County	-1	
Staffed Branch (1)	-1	Flushing Branch	46-08 Francis Lewis Blvd		Flushing	NY	11361		Queens	-1	
Staffed Branch (1)	-1	Forest Hills Branch	63-72 108th Street		Forest Hills	NY	11375		Queens	-1	
Staffed Branch (1)	-1	Ditmars Branch	31-24 Ditmars Blvd		Long Island City	NY	11105		Queens	-1	
Staffed Branch (1)	-1	Middle Village Branch	75-25 Metropolitan Avenue		Middle Village	NY	11379		Queens	-1	
Staffed Branch (1)	-1	Glen Cove Branch	44 Cedar Swamp Road		Glen Cove	NY	11542		Nassau County	-1	
Staffed Branch (1)	-1	Massapequa Branch	995 Hicksville Rd		Massapequa	NY	11758		Nassau County	-1	
Staffed Branch (1)	-1	Woodside Branch	60-20 Woodside Ave		Woodside	NY	11377		Queens	-1	
Staffed Branch (1)	-1	Ardsley Branch	729 Saw Mill River Road		Ardsley	NY	10502		Westchester County	-1	
Staffed Branch (1)	-1	Somers Branch	Towne Center At Somers 325	Route 100	Somers	NY	10589		Westchester County	-1	
Staffed Branch (1)	-1	Whitestone Branch	153-17 Cross Island Parkway		Whitestone	NY	11357		Queens	-1	
Staffed Branch (1)	-1	Great Neck Branch	4 Great Neck Road		Great Neck	NY	11021		Nassau County	-1	
Staffed Branch (1)	-1	Williston Park Branch	162 Hillside Avenue		Williston Park	NY	11596		Nassau County	-1	
Staffed Branch (1)	-1	Floral Park Branch	155 Jericho Turnpike		Floral Park	NY	11001		Nassau County	-1	
Staffed Branch (1)	-1	Malverne Branch	363 Hempstead Avenue		Malverne	NY	11565		Nassau County	-1	
Staffed Branch (1)	-1	South Huntington Branch	320 Walt Whitman Rd		Huntington Station	NY	11746		Suffolk County	-1	
Staffed Branch (1)	-1	Kings Park Branch	33 Main St		Kings Park	NY	11754		Suffolk County	-1	
Staffed Branch (1)	-1	Lynbrook Branch	619 Sunrise Highway		Lynbrook	NY	11563		Nassau County	-1	
Staffed Branch (1)	-1	Patchogue Branch	361 Sunrise Hwy		Patchogue	NY	11772		Suffolk County	-1	
Staffed Branch (1)	-1	Plainview Branch	164 Manetto Hill Rd		Plainview	NY	11803		Nassau County	-1	
Staffed Branch (1)	-1	Port Jefferson Branch	1015 Route 112		Port Jefferson Station	NY	11776		Suffolk County	-1	
Staffed Branch (1)	-1	Ridge Branch	1880 Middle Country Rd		Ridge	NY	11961		Suffolk County	-1	
Staffed Branch (1)	-1	Oceanside Branch	3553A Long Beach Road		Oceanside	NY	11572		Nassau County	-1	
Staffed Branch (1)	-1	Rocky Point Branch	325 Route 25a		Rocky Point	NY	11778		Suffolk County	-1	
Staffed Branch (1)	-1	Babylon Village Branch	180 West Main Street		Babylon	NY	11702		Suffolk County	-1	
Staffed Branch (1)	-1	Bay Shore Branch	300 East Main Street		Bay Shore	NY	11706		Suffolk County	-1	
Staffed Branch (1)	-1	East Islip Branch	180 East Main Street		East Islip	NY	11730		Suffolk County	-1	
Staffed Branch (1)	-1	Farmingville Branch	696 Horseblock Road		Farmingville	NY	11738		Suffolk County	-1	
Staffed Branch (1)	-1	Hauppauge Branch	845 Wheeler Road		Hauppauge	NY	11788		Suffolk County	-1	
Staffed Branch (1)	-1	Stony Brook Branch	1047 North Country Road		Stony Brook	NY	11790		Suffolk County	-1	
Staffed Branch (1)	-1	Wading River Branch	6348 Route 25a		Wading River	NY	11792		Suffolk County	-1	
Staffed Branch (1)	-1	Levittown Branch	3105 Hempstead Tpke		Levittown	NY	11756		Nassau County	-1	
Staffed Branch (1)	-1	Valley Stream Branch	120 South Franklin Avenue		Valley Stream	NY	11580		Nassau County	-1	
Staffed Branch (1)	-1	Wantagh Branch	1149 Wantagh Avenue		Wantagh	NY	11793		Nassau County	-1	
Staffed Branch (1)	-1	Garden City Branch	1150 Franklin Ave		Garden City	NY	11530		Nassau County	-1	
Staffed Branch (1)	-1	Syosset Branch	50 Jackson Avenue		Syosset	NY	11791		Nassau County	-1	
Staffed Branch (1)	-1	Jackson Heights Branch	72-35 Broadway		Jackson Heights	NY	11372		Queens	-1	
Staffed Branch (1)	-1	Rego Park Branch	97-33 Queens Blvd.		Rego Park	NY	11374		Queens	-1	
Staffed Branch (1)	-1	Merrick Branch	2090 East Merrick Road		Merrick	NY	11566		Nassau County	-1	
Staffed Branch (1)	-1	Seaford Branch	3887 Merrick Road		Seaford	NY	11783		Nassau County	-1	
Staffed Branch (1)	-1	West Islip Branch	526 Union Blvd		West Islip	NY	11795		Suffolk County	-1	

BranchType (select one from list)	BranchTypeCode	PopularBranchName	AddressLine1	AddressLine2	AddressCity	AddressState	AddressZIP	AddressZIP4	BranchCounty(select)	AddressCountyID	BranchCertificationNumber
Staffed Branch (1)	-1	Massapequa Park Branch	1001 Park Blvd.		Massapequa Park	NY	11762		Nassau County	-1	
Staffed Branch (1)	-1	18th Avenue Branch	4302 18th Avenue		Brooklyn	NY	11218		Kings	-1	
Staffed Branch (1)	-1	Boro Park Branch	5220 13th Avenue		Brooklyn	NY	11219		Kings	-1	
Staffed Branch (1)	-1	Coney Island Branch	489 Neptune Avenue		Brooklyn	NY	11224		Kings	-1	
Staffed Branch (1)	-1	Flatlands Branch	1550 Flatbush Avenue		Brooklyn	NY	11210		Kings	-1	
Staffed Branch (1)	-1	Hillside Branch	179-25 Hillside Avenue		Jamaica	NY	11432		Queens	-1	
Staffed Branch (1)	-1	Church Avenue Branch	101 Church Avenue		Brooklyn	NY	11218		Kings	-1	
Staffed Branch (1)	-1	Midwood Branch	1401 Avenue M		Brooklyn	NY	11230		Kings	-1	
Staffed Branch (1)	-1	5th Avenue Branch	459 5th Avenue		Brooklyn	NY	11215		Kings	-1	
Staffed Branch (1)	-1	Park Slope Branch	110 Seventh Avenue		Brooklyn	NY	11215		Kings	-1	
Staffed Branch (1)	-1	Rockville Centre Branch	339 Merrick Road		Rockville Centre	NY	11570		Nassau County	-1	