

## OFFICE OF THRIFT SUPERVISION

### Approval of Mutual Holding Company Activity Application

**Order No.: 2010-69**  
**Date: December 6, 2010**  
**Docket Nos.: H-4461, H-4462**  
**and 01007**

Profile Bancorp, MHC (MHC), Rochester, New Hampshire, has filed an application (Application), pursuant to 12 C.F.R. §§ 575.10(a)(6) and 575.11(a), to establish Profile Insurance Group, Inc. (Subsidiary), as a direct wholly owned subsidiary of Profile Bancorp, Inc. (Mid-Tier), Rochester, New Hampshire, a federally chartered wholly owned direct subsidiary of the MHC. The Mid-Tier owns all of the stock of Profile Bank, FSB (Bank), Rochester, New Hampshire. The Subsidiary will be a New Hampshire corporation that conducts property and casualty insurance agency activities.

Section 575.11(a) of the OTS mutual holding company regulations states that a mutual holding company may engage in activities specified by Sections 10(c)(2) or (c)(9)(A)(ii) of the Home Owners' Loan Act (HOLA),<sup>1</sup> and activities described in 12 C.F.R. § 575.10(a)(6). Section 575.10(a)(6) implements § 10(o)(5)(D) of the HOLA<sup>2</sup> by providing that a mutual holding company may acquire control of, and make non-controlling investments in the stock of, any corporation other than a savings association or savings and loan holding company only if: (1) the corporation is engaged exclusively in activities permitted by § 575.11(a), or the corporation's stock would be a permissible investment for a federal savings association under 12 C.F.R. Part 559 or for a state savings association under the law of any state where the subsidiary thrift has its home office; and (2) the corporation is not controlled, directly or indirectly, by a savings association subsidiary of the mutual holding company.

With respect to the first criterion, the Subsidiary will engage in activities permitted by §§ 575.11(a) and 575.10(a)(6)(i) because it will conduct an insurance agency business, which is a permissible activity under § 10(c)(2)(B) of the HOLA.

With respect to the second criterion, § 575.10(a)(6)(ii) provides that corporations in which a mutual holding company invests under the authority of § 575.10(a)(6) must not be controlled, directly or indirectly, by a savings association subsidiary of the mutual holding company. The Bank will not invest in or otherwise control the Subsidiary.

The MHC, the Mid-Tier and the Bank are operating in a safe and sound manner. OTS finds that the MHC and the Mid-Tier have the requisite experience and expertise to

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<sup>1</sup> 12 U.S.C. § 1467a(c)(2) and § 1467a(c)(9)(A)(ii).

<sup>2</sup> 12 U.S.C. § 1467a(o)(5)(D).

manage the proposed activity. No supervisory objection has been raised to the proposed activity.

Based on the foregoing, the Application is hereby approved, provided that the proposed acquisition must occur within 120 calendar days of this approval. The Northeast Regional Director, or his designee, may extend this time period for up to 120 calendar days.

By order of the Acting Director of the Office of Thrift Supervision, or his designee, effective December 6, 2010.



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Grovetta N. Gardineer  
Managing Director  
Corporate & International Activities