Section 1: 425 (FORM 8-K)

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 4, 2016

CHICOPEE BANCORP, INC.
(Exact Name of Registrant as Specified in its Charter)

Massachusetts 0-51996 20-4840562
(State or Other Jurisdiction of Incorporation) (Commission File No.) (I.R.S. Employer Identification No.)

70 Center Street, Chicopee, Massachusetts 01013
(Address of Principal Executive Offices)

RegISTRANT’S telephone number, including area code: (413) 594-6692

Not Applicable
(Former name or former address, if changed since last report)

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 (see General Instruction A.2. below):

[X] 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))
On April 4, 2016, Chicopee Bancorp, Inc. ("Chicopee Bancorp") entered into an Agreement and Plan of Merger (the "Merger Agreement") with Westfield Financial, Inc. ("Westfield Financial"). Pursuant to the Merger Agreement, Chicopee Bancorp will merge with and into Westfield Financial, with Westfield Financial as the surviving corporation (the "Merger"). Immediately following the Merger, Chicopee Savings Bank, a Massachusetts-chartered savings bank and wholly-owned subsidiary of Chicopee Bancorp ("Chicopee Bank"), will merge with and into Westfield Bank, a federally-chartered savings bank and wholly-owned subsidiary of Westfield Financial, with Westfield Bank as the surviving financial institution. The Merger Agreement is attached as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The boards of directors of each of Westfield Financial and Chicopee Bancorp have unanimously approved the Merger and the Merger Agreement. Subject to the approval of the Merger by the shareholders of Chicopee Bancorp and Westfield Financial, regulatory approvals, and other customary closing conditions, the parties anticipate completing the Merger during the fourth quarter of 2016.

Upon completion of the Merger, each Chicopee Bancorp shareholder will have the right to receive 2.425 shares of Westfield Financial common stock for each share of Chicopee Bancorp’s common stock. Based on the closing price of $8.42 per share for Westfield Financial’s common stock on April 4, 2016, as reported on the NASDAQ Global Select Market, the transaction value is estimated at $110 million in the aggregate.

All of the members of the board of directors and the executive officers of Chicopee Bancorp, in their capacity as shareholders, have entered into a voting agreement pursuant to which they have agreed to vote their shares of Chicopee Bancorp common stock in favor of the approval and adoption of the Merger Agreement and the Merger. A copy of the voting agreement is attached to the Merger Agreement and is also included with this Current Report on Form 8-K as Exhibit 10.1 and incorporated by reference herein. In addition, pursuant to the Merger Agreement and subject to certain terms and conditions, the board of directors of Chicopee Bancorp has agreed to recommend the approval and adoption of the Merger Agreement and the Merger to the Chicopee Bancorp shareholders and will solicit proxies voting in favor of the Merger Agreement and Merger from Chicopee Bancorp’s shareholders.

The Merger Agreement contains representations, warranties, and covenants of Chicopee Bancorp and Westfield Financial including, among others, covenants requiring (i) Chicopee Bancorp to conduct its business in the ordinary course during the period between the execution of the Merger Agreement and the effective time of the Merger or the earlier termination of the Merger Agreement, and (ii) Chicopee Bancorp and Westfield Financial not to engage in certain kinds of transactions during such period. In addition, Chicopee Bancorp has agreed not to solicit proposals relating to alternative business combination transactions or, subject to certain exceptions, enter into discussions or negotiations or provide confidential information in connection with any proposals for alternative business combinations.

The Merger Agreement also provides for certain termination rights for both Westfield Financial and Chicopee Bancorp, and further provides that upon termination of the Merger Agreement under certain circumstances, Chicopee Bancorp will be obligated to pay Westfield Financial a termination fee of $4.0 million or an expense reimbursement fee of up to $750,000. Also, Chicopee Bancorp may terminate the Merger Agreement if, during the five-day period beginning ten days before the Closing Date, as defined in the Merger Agreement, both (i) the average daily closing sales prices of a share of Westfield Financial common stock during the twenty consecutive trading days (counting only days on which shares actually traded on the NASDAQ Global Select Market) ending on the tenth day prior to the Closing Date, is less than 80% of Westfield Financial’s share price of $8.46 on April 1, 2016, and (ii) Westfield Financial’s share price declines by an amount that is at least 20% greater than the corresponding price decline in the NASDAQ Bank Index.

As referenced above, the consummation of the Merger is subject to various conditions, including (i) receipt of the requisite approval of the Merger Agreement and Merger by the shareholders of Chicopee Bancorp and Westfield Financial, (ii) receipt of all required regulatory approvals, (iii) the absence of any law or order prohibiting the closing of the Merger, and (iv) the effectiveness of the registration statement to be filed by Westfield Financial with the Securities and Exchange Commission ("SEC") with respect to the Westfield Financial common stock to be issued in the Merger. In addition, each party’s obligation to consummate the Merger is subject to certain other conditions, including the accuracy of the representations and warranties of the other party and compliance of the other party with its covenants.

Effective as of the closing of the Merger, William J. Wagner, Chicopee Bancorp’s President, Chief Financial Officer and Chairman of the Board, will be appointed as Vice Chairman of the boards of directors of Westfield Financial and Westfield Bank, and four other current Chicopee Bancorp directors will also be appointed to the boards of directors of Westfield Financial and Westfield Bank.

The foregoing description of the Merger Agreement and the Voting Agreement is not complete and is qualified in its entirety by reference to the Merger Agreement and the Voting Agreement, which are filed as Exhibits 2.1 and 10.1, respectively, and incorporated by reference.

In connection with the execution of the Merger Agreement, Westfield Financial and Westfield Bank are entering into employment agreements with William J. Wagner, effective at the closing of the Merger, and Westfield Financial, Westfield Bank, Chicopee Bancorp and Chicopee Bank are entering into settlement agreements with William J. Wagner, Russell J. Omer, Executive Vice President of Chicopee Bancorp and Executive Vice President, Lending, of Chicopee Bank, and Guida R. Sajdak, Senior Vice President and Chief Financial Officer of Chicopee Bancorp and Chicopee Bank.

The employment agreements with Mr. Wagner are substantially identical and provide for a fixed three-year term, a minimum annual salary of $350,000, discretionary cash bonuses and other fringe benefits. In the event Mr. Wagner's employment is terminated for good reason (as such term is defined in the agreements) or without cause, Mr. Wagner would be entitled to cash severance equal to the present value of the salary payments, estimated cash incentives and additional qualified and non-qualified defined benefit and defined contribution plan benefits that would be
The settlement agreements quantify and settle the benefits owed to the executives under their agreements with Chicopee Bancorp and Chicopee Bank. Under the settlement agreements, Messrs. Wagner and Omer and Ms. Sajdak will be entitled to a cash payment equal to $1,300,059, $642,269 and $406,394, respectively. The settlement agreements provide that the cash payment made at closing shall be limited so the payments with respect to the executives do not result in an “excess parachute payment” within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended. The settlement agreements for Messrs. Wagner and Omer and Ms. Sajdak are attached hereto as Exhibits 10.4, 10.5 and 10.6 and incorporated herein by reference.

The foregoing description of the employment agreements and settlement agreements is qualified in its entirety by reference to the employment agreements and settlement agreements attached hereto as Exhibits 10.2, 10.3, 10.4, 10.5 and 10.6 and incorporated herein by reference.

Forward-Looking Statements

This report contains some statements that may constitute forward-looking statements. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements reflect Chicopee Bancorp's current views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause Chicopee Bancorp's actual results to differ significantly from those expressed in any forward-looking statement. You should not rely uncritically on forward-looking statements because they involve significant known and unknown risks, uncertainties and other factors that are, in some cases, beyond Chicopee Bancorp's control and which could materially affect actual results. The factors that could cause actual results to differ materially from current expectations include failure to complete the proposed Merger, the imposition of adverse regulatory conditions in connection with regulatory approval of the proposed Merger, disruption to the parties’ businesses as a result of the announcement and pendency of the Merger, the inability to realize expected cost savings or to implement integration plans and other adverse consequences associated with the Merger, changes in general economic conditions, changes in interest rates, changes in competitive product and pricing pressures among financial institutions within Chicopee Bancorp's markets, changes in the financial condition of Chicopee Bancorp's borrowers and other factors discussed in the reports that Chicopee Bancorp files with the Securities and Exchange Commission. The forward-looking statements contained herein represent Chicopee Bancorp's judgment as of the date of this report, and Chicopee Bancorp cautions readers not to place undue reliance on such statements. For further information, please refer to Westfield Financial and Chicopee Bancorp's reports filed with the SEC.

Important Additional Information for Shareholders and Where to Find It

In connection with the Merger, Westfield Financial will file with the SEC a registration statement on Form S-4 to register shares of Westfield Financial common stock to be issued to Chicopee Bancorp’s shareholders. The registration statement will include a proxy statement of Chicopee Bancorp and a proxy statement and a prospectus of Westfield Financial. A definitive proxy statement and prospectus will be mailed to Westfield Financial and Chicopee Bancorp stockholders seeking their approval of the Merger. Westfield Financial and Chicopee Bancorp may also file other relevant documents with the SEC regarding the proposed transaction.

INVESTORS AND SECURITY HOLDERS OF WESTFIELD FINANCIAL AND CHICOPEE BANCORP ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER. Such documents are not currently available. Investors and security holders will be able to obtain the documents (when available) free of charge at the SEC’s website, www.sec.gov. Copies of the documents filed with the SEC by Westfield Financial and Chicopee Bancorp will be available free of charge on Westfield Financial’s website at www.westfieldbank.com under the tab “Investor Relations” and then under the heading “SEC Filings” or by contacting the Investor Relations Contact listed on the Investor Relations webpage or on Chicopee Bancorp’s website at www.chicopesavings.com under the tab “Investor Relations” and then under the heading “SEC Filings” or by contacting the Investor Relations Contact listed on the Investor Relations webpage. You may also read and copy any reports, statements and other information filed with the SEC at the SEC’s Public Reference Room at 100 F Street, NE, Washington DC. Information about the operation of the SEC Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The information on Westfield Financial and Chicopee Bancorp’s websites is not, and shall not be deemed to be, a part of this report or incorporated into other filings Westfield Financial or Chicopee Bancorp make with the SEC.

Westfield Financial, Chicopee Bancorp and their respective directors, executive officers and members of management may be deemed to be participants in the solicitation of proxies from the stockholders of Westfield Financial and Chicopee Bancorp in connection with the transaction. Information about the directors and executive officers of Westfield Financial is set forth in the proxy statement for Westfield Financial’s 2015 annual meeting of stockholders filed with the SEC on April 2, 2015. Information about the directors and executive officers of Chicopee Bancorp is set forth in the proxy statement for Chicopee Bancorp’s 2015 annual meeting of stockholders filed with the SEC on April 15, 2015. Additional information regarding the interests of these participants and other persons who may be deemed participants in the Merger may be obtained by reading the joint proxy statement/prospectus regarding the Merger when it becomes available.

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.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired. Not applicable

(b) Pro Forma Financial Information. Not Applicable
(d) Exhibits:

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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.

CHICOPEE BANCORP, INC.

DATE: April 7, 2016

By: /s/ William J. Wagner
William J. Wagner
President and Chief Executive Officer

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Section 2: EX-2.1 (EXHIBIT 2.1)

Exhibit 2.1

AGREEMENT AND PLAN OF MERGER
DATED AS OF APRIL 4, 2016
BY AND BETWEEN
WESTFIELD FINANCIAL, INC.
AND
CHICOPEE BANCORP, INC.
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This AGREEMENT AND PLAN OF MERGER (this “Agreement”) is dated as of April 4, 2016, by and between Westfield Financial, Inc., a Massachusetts corporation (“WFD”), and Chicopee Bancorp, Inc., a Massachusetts corporation (“CBNK”).

WITNESSETH

WHEREAS, the Board of Directors of WFD and the Board of Directors of CBNK have each (i) determined that this Agreement and the business combination and related transactions contemplated hereby are in the best interests of their respective entities and shareholders; (ii) determined that this Agreement and the transactions contemplated hereby are consistent with and in furtherance of their respective business strategies; and (iii) approved this Agreement;

WHEREAS, in accordance with the terms of this Agreement, CBNK will merge with and into WFD, and WFD shall be the surviving entity (the “Merger”);

WHEREAS, as a material inducement to WFD to enter into this Agreement, each of the directors and certain executive officers of CBNK have entered into a voting agreement with WFD dated as of the date hereof (a “Voting Agreement”), substantially in the form attached hereto as Exhibit A, pursuant to which each such director or executive officer has agreed, among other things, to vote all shares of CBNK Common Stock (as defined herein) owned by such person in favor of the approval of this Agreement and the transactions contemplated hereby, upon the terms and subject to the conditions set forth in such agreement;

WHEREAS, the parties intend for the Merger to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”), and that this Agreement be and hereby is adopted as a “plan of reorganization” within the meaning of Sections 354 and 361 of the Code; and

WHEREAS, the parties intend for the Merger to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”), and that this Agreement be and hereby is adopted as a “plan of reorganization” within the meaning of Sections 354 and 361 of the Code; and

NOW, THEREFORE, in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
THE MERGER

Section 1.01 Terms of the Merger. Subject to the terms and conditions of this Agreement, at the Effective Time, CBNK shall merge with and into WFD, and WFD shall be the surviving entity (hereinafter sometimes referred to as the “Surviving Corporation”) and shall continue to be governed by the laws of the Commonwealth of Massachusetts and its name and separate corporate existence, with all of its rights, privileges, immunities, powers and franchises, shall continue unaffected by the Merger. The Surviving Corporation shall be named Western New England Bancorp, Inc. As part of the Merger, shares of CBNK Common Stock shall, at the Effective Time, be converted into the right to receive the Merger Consideration pursuant to the terms of Article II.

Section 1.02 Bank Merger. Concurrently with or as soon as practicable after the execution and delivery of this Agreement, Westfield Bank (“Westfield Bank”), a wholly owned subsidiary of WFD, and Chicopee Savings Bank (“Chicopee Bank”), a wholly owned subsidiary of CBNK, shall enter into the Plan of Bank Merger (the “Plan of Bank Merger”), substantially in the form attached hereto as Exhibit B, pursuant to which Chicopee Bank will merge with and into Westfield Bank, and Westfield Bank shall be the surviving institution (the “Bank Merger”). The parties intend that the Bank Merger will become effective simultaneously with or immediately following the Effective Time.

Section 1.03 Tax Consequences. It is intended that the Merger shall constitute a reorganization within the meaning of Section 368(a) of the Code, and that this Agreement shall constitute a “plan of reorganization” as that term is used in Sections 354 and 361 of the Code. From and after the date of this Agreement and until the Closing, each party hereto shall use its reasonable best efforts to cause the Merger to qualify, and will not knowingly take any action, cause any action to be taken, fail to take any action or cause any action to fail to be taken, which action or failure to act would reasonably be expected to prevent the Merger from qualifying as a reorganization under Section 368(a) of the Code. CBNK and WFD each hereby agree to deliver a certificate substantially in compliance with IRS published advance ruling guidelines, with customary exceptions and modifications thereto, to enable its counsel to deliver the legal opinion contemplated by Section 6.01(e).
Section 1.04 Articles of Organization and Bylaws. The Articles of Organization, as amended, of WFD, as in effect immediately prior to the Effective Time, shall be the Articles of Organization of the Surviving Corporation until thereafter amended in accordance with applicable law. The Amended and Restated Bylaws of WFD, as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation until thereafter amended in accordance with applicable law.

Section 1.05 Directors of Surviving Corporation After Effective Time. Subject to Section 5.18, immediately after the Effective Time, until their respective successors are duly elected or appointed and qualified, the directors of the Surviving Corporation shall consist of the directors of WFD serving immediately prior to the Effective Time.

Section 1.06 Effect of the Merger. At the Effective Time, the effect of the Merger shall be as provided under the Massachusetts Business Corporation Act (the “MBCA”), and the regulations promulgated thereunder. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, the separate corporate existence of CBNK shall cease and all of the rights, privileges, powers, franchises, properties, assets, debts, liabilities, obligations, restrictions, disabilities and duties of CBNK shall be vested in and assumed by WFD.

Section 1.07 Effective Date and Effective Time; Closing.

(a) Subject to the terms and conditions of this Agreement, WFD will make all such filings as may be required to consummate the Merger by applicable laws and regulations. The Merger shall become effective at such time as the Articles of Merger are duly filed with the Secretary of the Commonwealth of Massachusetts or at such later date or time as WFD and CBNK agree and specify in the Articles of Merger (the date and time the Merger becomes effective being the “Effective Time”).

(b) The closing of the Merger (the “Closing”) shall take place at 10:00 a.m., Eastern time on the Closing Date (as defined below), at the principal offices of Hogan Lovells US LLP in Washington, D.C., or such other place or at such other time on the Closing Date as the parties may mutually agree upon. At the Closing, there shall be delivered to WFD and CBNK the certificates and other documents required to be delivered under Article VI hereof. Subject to the satisfaction or waiver of all conditions to closing contained in Article VI hereof, the Closing shall occur no later than ten Business Days following the latest to occur of (i) the receipt of all Regulatory Approvals, and the expiration of any applicable waiting periods, (ii) the approval of the Merger by the stockholders of WFD and by the stockholders of CBNK, or (iii) at such other date or time upon which WFD and CBNK mutually agree (the “Closing Date”).

Section 1.08 Alternative Structure. WFD may, at any time prior to the Effective Time, change the method of effecting the combinations of WFD and CBNK, or Westfield Bank and Chicopee Bank, respectively (including the provisions of this Article I, other than this Section 1.08) if and to the extent it deems such change to be necessary, appropriate or desirable; provided, however, that no such change shall (a) alter or change the Merger Consideration in any way; (b) adversely affect the tax treatment of CBNK’s shareholders pursuant to this Agreement; (c) adversely affect the tax treatment of WFD or CBNK pursuant to this Agreement; or (d) materially impede or delay consummation of the transactions contemplated by this Agreement or the Plan of Bank Merger. In the event WFD makes such a change, CBNK agrees to execute an appropriate amendment to this Agreement or the Plan of Bank Merger, as applicable, in order to reflect such change.

Section 1.09 Additional Actions. If, at any time after the Effective Time, WFD shall consider or be advised that any further deeds, documents, assignments or assurances in law or any other acts are necessary or desirable to (i) vest, perfect or confirm, or record or otherwise, in WFD its right, title or interest in, to or under any of the rights, properties or assets of CBNK, or (ii) otherwise carry out the purposes of this Agreement, CBNK and its officers and directors shall be deemed to have granted to WFD an irrevocable power of attorney to execute and deliver, in such official corporate capacities, all such deeds, assignments or assurances in law or any other acts as are necessary or desirable to (a) vest, perfect or confirm, of record or otherwise, in WFD its right, title or interest in, to or under any of the rights, properties or assets of CBNK or (b) otherwise carry out the purposes of this Agreement, and the officers and directors of WFD are authorized in the name of CBNK or otherwise to take any and all such action.
Section 1.10  Absence of Control. It is the intent of the parties to this Agreement that WFD by reason of this Agreement shall not be deemed (until consummation of the transactions contemplated herein) to control, directly or indirectly, CBNK and shall not exercise or be deemed to exercise, directly or indirectly, a controlling influence over the management or policies of CBNK.

ARTICLE II
CONSIDERATION; EXCHANGE PROCEDURES

Section 2.01  Merger Consideration. Subject to the provisions of this Agreement, by virtue of the Merger, automatically and without any action on the part of the holder thereof, each share of CBNK Common Stock issued and outstanding at the Effective Time, other than Excluded Shares, shall become and be converted into, as provided in and subject to the limitations set forth in this Agreement, the right to receive 2.425 shares (the “Exchange Ratio”) of WFD Common Stock plus cash in lieu of Fractional Shares as provided for in Section 2.03 (the “Merger Consideration”).

Section 2.02  Rights as Shareholders; Stock Transfers. At the Effective Time, holders of CBNK Common Stock shall cease to be, and shall have no rights as, shareholders of CBNK other than the right to receive the Merger Consideration provided under this Article II. Upon and after the Effective Time, there shall be no transfers on the stock transfer books of CBNK of shares of CBNK Common Stock.

Section 2.03  No Fractional Shares. Notwithstanding any other provision of this Agreement, neither certificates nor scrip for fractional shares of WFD Common Stock (“Fractional Shares”) shall be issued in the Merger. Each holder of a Certificate who otherwise would have been entitled to a fraction of a share of WFD Common Stock shall receive in lieu thereof cash (without interest) in an amount determined by multiplying the fractional share interest to which such holder would otherwise be entitled (after taking into account all shares of CBNK Common Stock owned by such holder at the Effective Time) by the WFD Share Price. No such holder shall be entitled to dividends, voting rights or any other rights in respect of any fractional share.

Section 2.04  Treasury Shares; Shares Owned by the Parties. Notwithstanding any other provision of this Agreement, all shares of CBNK Common Stock that are (i) held by CBNK as treasury shares or (ii) owned by WFD or any of its Subsidiaries immediately prior to the Effective Time, shall be cancelled and retired and shall cease to exist, and no shares of WFD Common Stock or other consideration shall be delivered in exchange therefor. Any shares of WFD Common Stock that are owned by CBNK or any of its Subsidiaries immediately prior to the Effective Time shall be cancelled and retired.

Section 2.05  Reserved.

Section 2.06  Exchange Procedures.

(a)  Appropriate transmittal materials (“Letter of Transmittal”) in a form satisfactory to WFD and CBNK shall be mailed as soon as practicable, but in no event later than five Business Days after the Closing Date, after the Effective Time to each holder of record of CBNK Common Stock as of the Effective Time. A Letter of Transmittal will be deemed properly completed only if accompanied by certificates representing all shares of CBNK Common Stock (“Certificate(s)”) to be converted thereby.

(b)  At and after the Effective Time, each Certificate shall represent only the right to receive the Merger Consideration.
(c) Prior to the Effective Time, WFD shall (i) reserve for issuance with its transfer agent and registrar a sufficient number of shares of WFD Common Stock to provide for payment of the aggregate Merger Consideration pursuant to Section 2.07 and (ii) deposit, or cause to be deposited, with Computershare Trust Company, N.A. (the “Exchange Agent”), for the benefit of the holders of shares of CBNK Common Stock, for exchange in accordance with this Section 2.06, an amount of cash sufficient to pay any cash in lieu of Fractional Shares pursuant to Section 2.03.

(d) The Letter of Transmittal shall (i) specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to the Exchange Agent, (ii) be in a form and contain any other provisions as are reasonably satisfactory to CBNK and WFD and (iii) include instructions for use in effecting the surrender of the Certificates in exchange for the Merger Consideration. Upon the proper surrender of the Certificates to the Exchange Agent, together with a properly completed and duly executed Letter of Transmittal, the holder of such Certificates shall be entitled to receive in exchange therefor a certificate representing that number of whole shares of WFD Common Stock that such holder has the right to receive pursuant to Section 2.01, and a check in the amount equal to the cash in lieu of Fractional Shares, if any, that such holder has the right to receive pursuant to Section 2.03, and any dividends or other distributions to which such holder is entitled pursuant to this Section 2.06. Certificates so surrendered shall forthwith be canceled. As soon as practicable following receipt of the properly completed Letter of Transmittal and any necessary accompanying documentation, the Exchange Agent shall distribute WFD Common Stock and cash as provided herein. The Exchange Agent shall not be entitled to vote or exercise any rights of ownership with respect to the shares of WFD Common Stock held by it from time to time hereunder, except that it shall receive and hold all dividends or other distributions paid or distributed with respect to such shares for the account of the persons entitled thereto. If there is a transfer of ownership of any shares of CBNK Common Stock not registered in the transfer records of CBNK, the Merger Consideration shall be issued to the transferee thereof if the Certificates representing such CBNK Common Stock are presented to the Exchange Agent, accompanied by all documents required, in the reasonable judgment of WFD and the Exchange Agent, to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been paid.

(e) No dividends or other distributions declared or made after the Effective Time with respect to WFD Common Stock issued pursuant to this Agreement shall be remitted to any person entitled to receive shares of WFD Common Stock hereunder until such person surrenders his or her Certificates in accordance with this Section 2.06. Upon the surrender of such person’s Certificates, such person shall be entitled to receive any dividends or other distributions, without interest thereon, which subsequent to the Effective Time had become payable but not paid with respect to shares of WFD Common Stock represented by such person’s Certificates.

(f) The stock transfer books of CBNK shall be closed immediately upon the Effective Time and from and after the Effective Time there shall be no transfers on the stock transfer records of CBNK of any shares of CBNK Common Stock. If, after the Effective Time, Certificates are presented to WFD, they shall be canceled and exchanged for the Merger Consideration deliverable in respect thereof pursuant to this Agreement in accordance with the procedures set forth in this Section 2.06.

(g) Any portion of the aggregate amount of cash to be paid pursuant to Section 2.03, any dividends or other distributions to be paid pursuant to this Section 2.06 or any proceeds from any investments thereof that remains unclaimed by the shareholders of CBNK for nine months after the Effective Time shall be repaid by the Exchange Agent to WFD upon the written request of WFD. After such request is made, any shareholders of CBNK who have not theretofore complied with this Section 2.06 shall look only to WFD for the Merger Consideration and cash in lieu of Fractional Shares, if any, deliverable in respect of each share of CBNK Common Stock such shareholder holds, as determined pursuant to Section 2.06 of this Agreement, without any interest thereon. If outstanding Certificates are not surrendered prior to the date on which such payments would otherwise escheat to or become the property of any governmental unit or agency, the unclaimed items shall, to the extent permitted by any abandoned property, escheat or other applicable laws, become the property of WFD (and, to the extent not in its possession, shall be paid over to it), free and clear of all claims or interest of any person previously entitled to such claims. Notwithstanding the foregoing, neither the Exchange Agent nor any party to this Agreement (or any affiliate thereof) shall be liable to any former holder of CBNK Common Stock for any amount delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.
(h) WFD and the Exchange Agent shall be entitled to rely upon CBNK’s stock transfer books to establish the identity of those persons entitled to receive the Merger Consideration, which books shall be conclusive with respect thereto. In the event of a dispute with respect to ownership of stock represented by any Certificate, WFD and the Exchange Agent shall be entitled to deposit any Merger Consideration and cash in lieu of Fractional Shares, if any, represented thereby in escrow with an independent third party and thereafter be relieved with respect to any claims thereto.

(i) If any 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 the Exchange Agent or WFD, the posting by such person of a bond in such amount as the Exchange Agent may direct 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 Merger Consideration and cash in lieu of Fractional Shares, if any, deliverable in respect thereof pursuant to Section 2.03.

Section 2.07 Reservation of Shares. Effective upon the date of this Agreement, WFD shall reserve for issuance a sufficient number of shares of the WFD Common Stock for the purpose of issuing shares of WFD Common Stock to CBNK shareholders in accordance with this Article II.

Section 2.08 Listing of Additional Shares. Prior to the Effective Time, WFD shall notify NASDAQ of the additional shares of WFD Common Stock to be issued by WFD in exchange for the shares of CBNK Common Stock.

Section 2.09 Effect on Outstanding Shares of WFD Common Stock. At the Effective Time, each share of WFD Common Stock issued and outstanding immediately prior to the Effective Time shall remain an issued and outstanding share of common stock of the Surviving Corporation and shall not be affected by the Merger.

Section 2.10 Effect on Outstanding CBNK Equity Awards.

(a) Each option to purchase shares of CBNK Common Stock issued by CBNK and outstanding at the Effective Time pursuant to the CBNK 2007 Equity Incentive Plan (each, a “CBNK Option”) shall be converted into an option to purchase shares of WFD Common Stock as follows:

(i) The aggregate number of shares of WFD Common Stock issuable upon the exercise of the converted CBNK Option after the Effective Time shall be equal to the product of the Exchange Ratio multiplied by the number of shares of CBNK Common Stock issuable upon exercise of the CBNK Option immediately prior to the Effective Time, such product to be rounded to the nearest whole share of WFD Common Stock; and

(ii) the exercise price per share of each converted CBNK Option shall be equal to the quotient of the exercise price of such CBNK Option immediately prior to the Effective Time divided by the Exchange Ratio, such quotient to be rounded to the nearest whole cent; provided, however, that, in the case of any CBNK Option that is intended to qualify as an incentive stock option under Section 422 of the Code, the number of shares of WFD Common Stock issuable upon exercise of and the exercise price per share for such converted CBNK Option determined in the manner provided above shall be further adjusted in such manner as may be necessary to ensure that such incentive stock option continues to qualify as an incentive stock option and to conform to the requirements of Section 424(a) of the Code.

(iii) Options to purchase shares of WFD Common Stock that arise from the operation of this Section 2.10 shall be referred to herein as “Converted Options.” All Converted Options shall be exercisable for the same period and shall otherwise have the same terms and conditions applicable to the CBNK Options that they replace; provided, however, that all such Converted Options shall be fully vested to the extent not previously vested prior to the Effective Time.
(b) Before the Effective Time, WFD will take all corporate action necessary to reserve for future issuance a sufficient additional number of shares of WFD Common Stock to provide for the satisfaction of its obligations with respect to the Converted Options. WFD agrees to file, promptly after the Effective Time, a registration statement on Form S-8 (or any successor or other appropriate form) and make any state filings or obtain state exemptions with respect to the WFD Common Stock issuable upon exercise of the Converted Options.

(c) Each unvested award of restricted stock issued by CBNK and outstanding at the Effective Time pursuant to the CBNK 2007 Equity Incentive Plan (each, a “CBNK Restricted Share Award”) shall be fully vested as of the Effective Time and converted into WFD Common Stock in the same manner as any other outstanding share of CBNK Common Stock pursuant to the terms of this Article II.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF CBNK

As a material inducement to WFD to enter into this Agreement and to consummate the transactions contemplated hereby, CBNK hereby makes to WFD the representations and warranties contained in this Article III, provided, however, CBNK shall not be deemed to have breached a representation or warranty as a consequence of the existence of any fact, event or circumstance unless such fact, circumstance or event, individually or taken together with all other facts, events or circumstances inconsistent with any representation or warranty contained in this Article III, has had or is reasonably likely to have, a Material Adverse Effect (disregarding for purposes of this proviso any materiality or Material Adverse Effect qualification or exception contained in any representation or warranty). Notwithstanding the immediately preceding sentence, the representations and warranties contained in (x) Section 3.04(a) shall be deemed untrue and incorrect if not true and correct except to a de minimis extent, (y) Sections 3.02, 3.05, 3.06, 3.07, 3.08(b), 3.15(a) and (c), 3.16(b), 3.17, 3.18(d) and (f), 3.24(c) and 3.29 shall be deemed untrue and incorrect if not true and correct in all material respects and (z) Section 3.11(a) shall be deemed untrue and incorrect if not true and correct in all respects.

Section 3.01 Making of Representations and Warranties. Except as set forth in the CBNK Disclosure Schedule, CBNK hereby represents and warrants to WFD that the statements contained in this Article III are correct as of the date of this Agreement and will be correct as of the Closing Date, except as to any representation or warranty which specifically relates to an earlier date, which only need be correct as of such earlier date.

Section 3.02 Organization, Standing and Authority of CBNK. CBNK is a Massachusetts corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts, and is duly registered as a bank holding company under the Bank Holding Company Act 1956, as amended, as administered by the FRB. CBNK has full corporate power and authority to carry on its business as now conducted. CBNK is duly licensed or qualified to do business in the States of the United States and foreign jurisdictions where its ownership or leasing of property or the conduct of its business requires such qualification, except where the failure to be so qualified or licensed and in good standing would not have a Material Adverse Effect on CBNK. The Articles of Organization and Amended and Restated Bylaws of CBNK, copies of which have been made available to WFD, are true, complete and correct copies of such documents as in full force and effect as of the date of this Agreement.

Section 3.03 Organization, Standing and Authority of Chicopee Bank. Chicopee Bank is a Massachusetts-chartered savings bank duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts. Chicopee Bank’s deposits are insured by the FDIC in the manner and to the fullest extent provided by applicable law, and all premiums and assessments required to be paid in connection therewith have been paid by Chicopee Bank when due. Chicopee Bank is a member in good standing of the FHLB and owns the requisite amount of stock in the FHLB as set forth on CBNK Disclosure Schedule 3.03. The charter and Bylaws of Chicopee Bank, copies of which have been made available to WFD, are true, complete and correct copies of such documents as in full force and effect as of the date of this Agreement.

Section 3.04 CBNK Capital Stock.
The authorized capital stock of CBNK consists solely of 20,000,000 shares of common stock, no par value per share, of which 5,222,339 shares are outstanding as of the date hereof (“CBNK Common Stock”). As of the date hereof, there are 2,217,029 shares of CBNK Common Stock held in treasury by CBNK. The outstanding shares of CBNK Common Stock have been duly authorized and validly issued and are fully paid and non-assessable. Except for the CBNK Options to acquire shares of CBNK Common Stock, CBNK does not have any Rights issued or outstanding with respect to CBNK Common Stock and CBNK does not have any commitment to authorize, issue or sell any CBNK Common Stock or Rights.

CBNK Disclosure Schedule 3.04(b) contains a list setting forth, as of the date of this Agreement, all outstanding CBNK Options and outstanding CBNK Restricted Share Awards, the exercise price per share with respect to each such CBNK Option, a list of all holders with respect to each such award including identification of any such grantees that are not current or former employees, directors or officers of CBNK, the date of grant and date of expiration of each such award, and any vesting schedule applicable to each unvested award. Upon issuance in accordance with the terms of the outstanding award agreements, the shares of CBNK Common Stock issued pursuant to the CBNK Options and CBNK Restricted Share Awards shall be issued in compliance with all applicable laws.

Section 3.05 Subsidiaries. Except as set forth on CBNK Disclosure Schedule 3.05, CBNK does not, directly or indirectly, own or control any Affiliate. Except as disclosed on CBNK Disclosure Schedule 3.05, CBNK does not have any equity interest, direct or indirect, in any other bank or corporation or in any partnership, joint venture or other business enterprise or entity, except as acquired through settlement of indebtedness, foreclosure, the exercise of creditors’ remedies or in a fiduciary capacity, and the business carried on by CBNK has not been conducted through any other direct or indirect Subsidiary or Affiliate of CBNK. No such equity investment identified in CBNK Disclosure Schedule 3.05 is prohibited by the Commonwealth of Massachusetts, the MADOB or the FDIC.

Section 3.06 Corporate Power; Minute Books. Each of CBNK and Chicopee Bank has the corporate power and authority to carry on its business as it is now being conducted and to own all its properties and assets; and each of CBNK and Chicopee Bank has the corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, subject to receipt of all necessary approvals of Governmental Authorities and the approval of the shareholders of CBNK and WFD of this Agreement. CBNK does not conduct any trust business. The minute books of CBNK contain true, complete and accurate records of all meetings and other corporate actions held or taken by shareholders of CBNK and the CBNK Board (including committees of the CBNK Board).

Section 3.07 Execution and Delivery. Subject to the approval of this Agreement by the shareholders of CBNK, this Agreement and the transactions contemplated hereby have been authorized by all necessary corporate action of CBNK and the CBNK Board on or prior to the date hereof. The CBNK Board has directed that this Agreement be submitted to CBNK’s shareholders for approval at a meeting of such shareholders and, except for the approval and adoption of this Agreement by the requisite affirmative vote of the holders of the outstanding shares of CBNK Common Stock entitled to vote thereon, no other vote of the shareholders of CBNK is required by law, the Articles of Organization of CBNK, the Amended and Restated Bylaws of CBNK or otherwise to approve this Agreement and the transactions contemplated hereby. CBNK has duly executed and delivered this Agreement and, assuming due authorization, execution and delivery by WFD, this Agreement is a valid and legally binding obligation of CBNK, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors’ rights or by general equity principles).

Section 3.08 Regulatory Approvals; No Defaults.

(a) No consents or approvals of, or waivers by, or filings or registrations with, any Governmental Authority or with any third party are required to be made or obtained by CBNK or any of its Subsidiaries in connection with the execution, delivery or performance by CBNK or Chicopee Bank of this Agreement or to consummate the transactions contemplated hereby, except for (i) filings of applications or notices with, and consents, approvals or waivers by the MADOB, as may be required, and (ii) the approval of this Agreement by the requisite affirmative vote of the holders of the outstanding shares of CBNK Common Stock. As of the date hereof, CBNK is not aware of any reason why the approvals set forth above and referred to in Section 6.01(a) will not be received in a timely manner.
Subject to receipt, or the making, of the consents, approvals, waivers and filings referred to in the preceding paragraph, and the expiration of related waiting periods, the execution, delivery and performance of this Agreement by CBNK, as applicable, and the consummation of the transactions contemplated hereby do not and will not (i) constitute a breach or violation of, or a default under, the charter or Bylaws (or similar governing documents) of CBNK or any of its Subsidiaries, (ii) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to CBNK or any of its Subsidiaries, or any of their properties or assets or (iii) 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 CBNK or any of its Subsidiaries under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, contract, agreement or other instrument or obligation to which CBNK or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound or affected.

Section 3.09 Financial Statements. CBNK has previously made available to WFD copies of (i) the consolidated balance sheets of CBNK as of December 31 for the fiscal years 2015 and 2014, and the related consolidated statements of operations, comprehensive income (loss), changes in stockholders’ equity, and cash flows for the fiscal years 2015, 2014 and 2013, in each case accompanied by the audit report of Berry Dunn McNeil & Parker, LLC, the independent registered public accounting firm of CBNK (the “CBNK Financial Statements”) and (ii) the consolidated report of condition and income filed with the FDIC by Chicopee Bank for the period ended December 31, 2015. The CBNK Financial Statements (including the related notes, where applicable) fairly present the results of the operations and financial position of CBNK and its consolidated Subsidiaries for the respective fiscal periods or as of the respective dates therein set forth; each of such statements (including the related notes, where applicable) complies with applicable accounting requirements; and each of such statements (including the related notes, where applicable) has been prepared in accordance with GAAP consistently applied during the periods involved, except as indicated in the notes thereto. The books and records of CBNK have been, and are being, maintained in accordance with GAAP and any other applicable legal and accounting requirements and reflect only actual transactions. Berry Dunn McNeil & Parker, LLC has not resigned or been dismissed as independent public accountants of CBNK as a result of or in connection with any disagreements with CBNK on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

Section 3.10 Securities Filings. CBNK has filed with the SEC all reports, schedules, registration statements, definitive proxy statements and other documents that it has been required to file under the Securities Act or the Exchange Act since December 31, 2013 (collectively, “CBNK’s SEC Reports”). None of CBNK’s SEC Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. As of their respective dates of filing with the SEC, all of CBNK’s SEC Reports complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act, as the case may be, and the rules and regulations of the SEC promulgated thereunder. Each of the financial statements (including, in each case, any notes thereto) of CBNK included in CBNK’s SEC Reports complied as to form, 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.

Section 3.11 Absence of Certain Changes or Events.

(a) Since December 31, 2015, there has been no change or development or combination of changes or developments which, individually or in the aggregate, has had or is reasonably likely to have a Material Adverse Effect on CBNK.

(b) Since December 31, 2015, CBNK has carried on its business only in the ordinary and usual course of business consistent with its past practices (except for the incurrence of expenses in connection with this Agreement).
(c) Except as set forth in CBNK Disclosure Schedule 3.11, since December 31, 2015, CBNK has not (i) increased the wages, salaries, compensation, pension, or other fringe benefits or perquisites payable to any officer, employee or director from the amount thereof in effect as of December 31, 2015, granted any severance or termination pay, entered into any contract to make or grant any severance or termination pay, or paid any bonus, (ii) declared, set aside or paid any dividend or other distribution (whether in cash, stock or property) with respect to any of CBNK’s capital stock, (iii) effected or authorized any split, combination or reclassification of any of CBNK’s capital stock or any issuance or issued any other securities in respect of, in lieu of or in substitution for shares of CBNK’s capital stock, (iv) changed any accounting methods (or underlying assumptions), principles or practices of CBNK affecting its assets, liabilities or business, including without limitation, any reserving, renewal or residual method, practice or policy, except in accordance with GAAP, (v) made any tax election by CBNK or any settlement or compromise of any income tax liability by CBNK, (vi) made any material change in CBNK’s policies and procedures in connection with underwriting standards, origination, purchase and sale procedures or hedging activities with respect to any Loans, (vii) suffered any strike, work stoppage, slow-down, or other labor disturbance, (viii) been a party to a collective bargaining agreement, contract or other agreement or understanding with a labor union or organization, (ix) had any union organizing activities or (x) made any agreement or commitment (contingent or otherwise) to do any of the foregoing.

Section 3.12 Financial Controls and Procedures. During the periods covered by the CBNK Financial Statements, CBNK has had in place internal controls over financial reporting which are designed and maintained to ensure that (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management’s general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. None of CBNK’s records, systems, controls, data or information are recorded, stored, maintained, operated or otherwise wholly or partly dependent on or held by any means (including any electronic, mechanical or photographic process, whether computerized or not) which (including all means of access thereto and therefrom) are not under the exclusive ownership and direct control of CBNK or its accountants or agents.

Section 3.13 Regulatory Matters.

(a) CBNK has timely filed all reports, registrations and statements, together with any amendments required to be made with respect thereto, that it was required to file since December 31, 2012 with any Governmental Authority, and has paid all fees and assessments due and payable in connection therewith. Except for normal examinations conducted by any Governmental Authority in the regular course of the business of CBNK, and except as set forth in CBNK Disclosure Schedule 3.13(a), no Governmental Authority has initiated any proceeding, or to the Knowledge of CBNK, investigation into the business or operations of CBNK, since December 31, 2012. Other than as set forth in CBNK Disclosure Schedule 3.13(a), there is no unresolved violation, criticism, or exception by any Governmental Authority with respect to any report or statement relating to any examinations of Chicopee Bank. Chicopee Bank is “well-capitalized” as defined in applicable laws and regulations, and Chicopee Bank has a Community Reinvestment Act of 1977, as amended (the “Community Reinvestment Act”), rating of “satisfactory” or better.

(b) CBNK has timely filed with the SEC and NASDAQ all documents required by the Securities Act and the Exchange Act, and such documents, as the same may have been amended, complied, at the time filed with the SEC, in all material respects with the Securities Act and the Exchange Act.

(c) Other than as set forth in CBNK Disclosure Schedule 3.13(c), neither CBNK nor Chicopee Bank is a party to or is subject to any order, decree, agreement, memorandum of understanding or similar arrangement with, or a commitment letter or similar submission to, or extraordinary supervisory letter (each a “Regulatory Order”) from, any Governmental Authority charged with the supervision or regulation of financial institutions or issuers of securities or engaged in the insurance of deposits or the supervision or regulation of it. Each of CBNK and Chicopee Bank has not been advised by, or has any Knowledge of facts which could give rise to an advisory notice by, any Governmental Authority that such Governmental Authority is contemplating issuing or requesting (or is considering the appropriateness of issuing or requesting) any Regulatory Order.
Section 3.14 Legal Proceedings.

(a) Other than as set forth in CBNK Disclosure Schedule 3.14, there are no pending or, to CBNK’s Knowledge, threatened legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against CBNK.

(b) Other than as set forth in CBNK Disclosure Schedule 3.14, CBNK is not a party to any, nor are there any pending or, to CBNK’s Knowledge, threatened legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against CBNK in which, to the Knowledge of CBNK, there is a reasonable probability of any material recovery against or other Material Adverse Effect on CBNK or which challenges the validity or propriety of the transactions contemplated by this Agreement.

(c) There is no injunction, order, judgment or decree imposed upon CBNK, or the assets of CBNK, and CBNK has not been advised of, or is aware of, the threat of any such action.

Section 3.15 Compliance with Laws.

(a) CBNK is in compliance with all applicable federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders or decrees applicable thereto or to the employees conducting such businesses, including, without limitation, the Equal Credit Opportunity Act, as amended, the Fair Housing Act, as amended, the Community Reinvestment Act, the Home Mortgage Disclosure Act, the Bank Secrecy Act of 1970, as amended, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, and all other applicable fair lending and fair housing laws or other laws relating to discrimination;

(b) CBNK has all permits, licenses, authorizations, orders and approvals of, and have made all filings, applications and registrations with, all Governmental Authorities that are required in order to permit it to own or lease their properties and to conduct their business as presently conducted; all such permits, licenses, certificates of authority, orders and approvals are in full force and effect and, to CBNK’s Knowledge, no suspension or cancellation of any of them is threatened; and

(c) Other than as set forth in CBNK Disclosure Schedule 3.15, CBNK has received, since December 31, 2013, no notification or communication from any Governmental Authority (i) asserting that it is not in compliance with any of the statutes, regulations or ordinances which such Governmental Authority enforces or (ii) threatening to revoke any license, franchise, permit or governmental authorization (nor, to CBNK’s Knowledge, do any grounds for any of the foregoing exist).

Section 3.16 Material Contracts; Defaults.

(a) Other than as set forth in CBNK Disclosure Schedule 3.16(a), CBNK is not a party to, bound by or subject to any agreement, contract, arrangement, commitment or understanding (whether written or oral): (i) with respect to the employment of any directors, officers, employees or consultants; (ii) which would entitle any present or former director, officer, employee or agent of CBNK to indemnification from CBNK; (iii) which is a consulting agreement (including data processing, software programming and licensing contracts) not terminable on sixty (60) days or less notice and involving the payment of more than $25,000 per annum; or (iv) which materially restricts the conduct of any business by CBNK. CBNK has previously delivered to WFD true, complete and correct copies of each such document.

(b) To its Knowledge, CBNK is not in default under any contract, agreement, commitment, arrangement, lease, insurance policy or other instrument to which it is a party, by which its assets, business, or operations may be bound or affected, or under which it or its assets, business, or operations receive benefits, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default. Except as set forth in CBNK Disclosure Schedule 3.16(b), no power of attorney or similar authorization given directly or indirectly by CBNK is currently outstanding.
Section 3.18 Employee Benefit Plans.

(a) All benefit and compensation plans, contracts, policies or arrangements covering current or former employees of CBNK (the “CBNK Employees”) and current or former directors of CBNK including, but not limited to, “employee benefit plans” within the meaning of Section 3(3) of ERISA, and deferred compensation, stock option, stock purchase, stock appreciation rights, stock based, incentive and bonus plans (the “CBNK Benefit Plans”), are identified in CBNK Disclosure Schedule 3.18(a). True and complete copies of all CBNK Benefit Plans including, but not limited to, any trust instruments and insurance contracts forming a part of any CBNK Benefit Plans and all amendments thereto, have been provided to WFD. Except as set forth in CBNK Disclosure Schedule 3.18(a), CBNK may amend or terminate any such CBNK Benefit Plan at any time without incurring any liability thereunder.

(b) All CBNK Benefit Plans covering CBNK Employees, to the extent subject to ERISA, are in substantial compliance with ERISA. Each CBNK Benefit Plan which is an “employee pension benefit plan” within the meaning of Section 3(2) of ERISA (a “CBNK Pension Plan”) and which is intended to be qualified under Section 401(a) of the Code, has received a favorable determination letter from the IRS, and to the Knowledge of CBNK, there are no circumstances likely to result in revocation of any such favorable determination letter or the loss of the qualification of such CBNK Pension Plan under Section 401(a) of the Code. There is no pending or, to CBNK’s Knowledge, threatened litigation relating to the CBNK Benefit Plans. CBNK has not engaged in a transaction with respect to any CBNK Benefit Plan or CBNK Pension Plan that, assuming the taxable period of such transaction expired as of the date hereof, could subject CBNK to a material tax or penalty imposed by either Section 4975 of the Code or Section 502(i) of ERISA.

(c) Except as identified in CBNK Disclosure Schedule 3.18(c), neither CBNK nor any entity which is considered one employer with CBNK under Section 4001 of ERISA or Section 414 of the Code (a “CBNK ERISA Affiliate”) has ever sponsored a CBNK Pension Plan that is subject to Title IV of ERISA. Neither CBNK nor any CBNK ERISA Affiliate has ever sponsored or contributed to any “multiemployer plan,” as defined in Section 3(37) of ERISA or “multiple employer plan,” as defined in Section 4063 of ERISA.

(d) All contributions required to be made under the terms of any CBNK Benefit Plan have been timely made or have been reflected on the financial statements of CBNK.

(e) Other than as set forth in CBNK Disclosure Schedule 3.18(e), CBNK has no obligations for retiree health and life benefits under any CBNK Benefit Plan, other than coverage as may be required under Section 4980B of the Code or Part 6 of Title I of ERISA, or under the continuation of coverage provisions of the laws of any state or locality.

(f) Other than as set forth in CBNK Disclosure Schedule 3.18(f), the execution of this Agreement, shareholder approval of this Agreement or consummation of any of the transactions contemplated by this Agreement will not (i) entitle any CBNK Employees to severance pay or any increase in severance pay upon any termination of employment after the date hereof, (ii) accelerate the time of payment or vesting or trigger any payment or funding (through a grantor trust or otherwise) of compensation or benefits under, increase the amount payable or trigger any other material obligation pursuant to, any of the CBNK Benefit Plans, (iii) result in any breach or violation of, or a default under, any of the CBNK Benefit Plans, (iv) result in any payment that would be a “parachute payment” to a “disqualified individual” as those terms are defined in Section 280G of the Code, without regard to whether such payment is reasonable compensation for personal services performed or to be performed in the future, (v) limit or restrict the right of CBNK, or after the consummation of the transactions contemplated herby, WFD or Surviving Corporation, to merge amend, or terminate any of the CBNK Benefit Plans, or (vi) result in payments that would not be deductible under Section 162(m) of the Code. CBNK Disclosure Schedule 3.18(f) contains a schedule showing the present value of the monetary amounts payable as of the date specified in such schedule, whether individually or in the aggregate (including good faith estimates of all amounts not subject to precise quantification as of the date of this Agreement), under any employment, change-in-control, severance or similar contract, plan or arrangement with or which covers any present or former director, officer or employee of CBNK who may be entitled to any such amount and identifying the types and estimated amounts of the in-kind benefits due under any CBNK Benefit Plans (other than a plan qualified under Section 401(a) of the Code) for each such person, specifying the assumptions in such schedule and providing estimates of other related fees or expenses together with such detail as is needed to ensure that no such payment or benefit would result in a parachute payment to a disqualified individual within the meaning of Section 280G of the Code.
Each CBNK Benefit Plan that is a deferred compensation plan and any deferral elections thereunder are in compliance with Section 409A of the Code, to the extent applicable.

Each CBNK Option and CBNK Restricted Share Award (i) was granted in compliance with all applicable laws and all of the terms and conditions of the applicable plan pursuant to which it was issued, (ii) has a grant date identical to the date on which the CBNK Board or the CBNK’s compensation committee actually awarded it, (iii) is exempt from the Section 409A of the Code, and (iv) qualifies for the tax and accounting treatment afforded to such award in the CBNK Tax Returns and the CBNK Financial Statements, respectively. In addition, each CBNK Option has an exercise price per share equal to or greater than the fair market value of a share of CBNK Common Stock on the date such CBNK Option was granted.

CBNK Disclosure Schedule 3.18(i), contains a list setting forth, as of the date of this Agreement, all outstanding awards under the CBNK 2012 Phantom Stock Unit Award and Long-Term Incentive Plan, a list of all holders with respect to each such award, the date of grant and date of expiration of each such award, and any vesting schedule applicable to each such award.

Section 3.19 Labor Matters. CBNK is not a party to or bound by any collective bargaining agreement, contract or other agreement or understanding with a labor union or labor organization, nor is CBNK the subject of a proceeding asserting that it has committed an unfair labor practice (within the meaning of the National Labor Relations Act, as amended) or seeking to compel CBNK to bargain with any labor organization as to wages or conditions of employment, nor is there any strike or other labor dispute involving it pending or, to CBNK’s Knowledge, threatened, nor is CBNK aware of any activity involving its employees seeking to certify a collective bargaining unit or engaging in other organizational activity.

Section 3.20 Environmental Matters.

(a) To its Knowledge, CBNK and its owned real properties are in material compliance with all Environmental Laws. CBNK is not aware of, nor has CBNK received notice of, any past, present, or future conditions, events, activities, practices or incidents that may interfere with or prevent the material compliance of CBNK with all Environmental Laws.

(b) To its Knowledge, CBNK has obtained all material permits, licenses and authorizations that are required under all Environmental Laws.

(c) To CBNK’s Knowledge, no Hazardous Substance exist on, about or within any of the owned real properties, nor have any Hazardous Substance previously existed on, about or within been used, generated, stored, transported, disposed of, on or released from any of the Properties. The use that CBNK makes and intends to make of the owned real properties shall not result in the use, generation, storage, transportation, accumulation, disposal or release of any Hazardous Substance on, in or from any of those properties.

(d) There is no action, suit, proceeding, investigation, or inquiry before any court, administrative agency or other governmental authority pending or to CBNK’s Knowledge threatened against CBNK relating in any way to any Environmental Law. To its Knowledge, CBNK has no liability for remedial action under any Environmental Law. CBNK has not received any request for information by any governmental authority with respect to the condition, use or operation of any of the owned real properties or CBNK Loan Property nor has CBNK received any notice of any kind from any governmental authority or other person with respect to any violation of or claimed or potential liability of any kind under any Environmental Law with respect to any of the owned real properties or CBNK Loan Property.
Section 3.21 Tax Matters.

(a) CBNK has filed all Tax Returns that it was required to file under applicable laws and regulations, other than Tax Returns that are not yet due or for which a request for extension was filed. All such Tax Returns were correct and complete in all material respects and have been prepared in substantial compliance with all applicable laws and regulations. All Taxes due and owing by CBNK (whether or not shown on any Tax Return) have been paid other than Taxes that have been reserved or accrued on the balance sheet of CBNK and which CBNK is contesting in good faith. CBNK is not the beneficiary of any extension of time within which to file any Tax Return, and other than as set forth on CBNK Disclosure Schedule 3.21(a), neither CBNK nor any of its Subsidiaries currently has any open tax years. No claim has ever been made by an authority in a jurisdiction where CBNK does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. There are no Liens for Taxes (other than Taxes not yet due and payable) upon any of the assets of CBNK.

(b) CBNK has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, shareholder, or other third party.

(c) No foreign, federal, state, or local tax audits or administrative or judicial Tax proceedings are being conducted or to the Knowledge of CBNK are pending with respect to CBNK. CBNK has not received from any foreign, federal, state, or local taxing authority (including jurisdictions where CBNK has not filed Tax Returns) any (i) notice indicating an intent to open an audit or other review, (ii) request for information related to Tax matters, or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any taxing authority against CBNK.

(d) CBNK has provided WFD with true and complete copies of the United States federal, state, local, and foreign income Tax Returns filed with respect to CBNK for taxable periods ended December 31, 2015, 2014 and 2013. CBNK has delivered to WFD correct and complete copies of all examination reports, and statements of deficiencies assessed against or agreed to by CBNK filed for the years ended December 31, 2015, 2014 and 2013. CBNK has timely and properly taken such actions in response to and in compliance with notices CBNK has received from the IRS in respect of information reporting and backup and nonresident withholding as are required by law.

(e) CBNK has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(f) CBNK has not been a United States real property holding corporation within the meaning of Code Section 897(c)(2) during the applicable period specified in Code Section 897(c)(1)(A)(ii). CBNK has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code Section 6662. Other than as set forth on CBNK Disclosure Schedule 3.21(f), CBNK is not a party to or bound by any Tax allocation or sharing agreement. Except for an affiliated group with its Subsidiaries, CBNK (i) has not been a member of an affiliated group filing a consolidated federal income Tax Return, and (ii) has no liability for the Taxes of any individual, bank, corporation, partnership, association, joint stock company, business trust, limited liability company, or unincorporated organization (other than CBNK) under Reg. Section 1.1502-6 (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

(g) The unpaid Taxes of CBNK (i) did not, as of the end of the most recent period covered by CBNK’s call reports filed on or prior to the date hereof, exceed the reserve for Tax liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the financial statements included in CBNK’s call reports filed on or prior to the date hereof (rather than in any notes thereto), and (ii) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of CBNK in filing its Tax Returns. Since the end of the most recent period covered by CBNK’s call reports filed prior to the date hereof, CBNK has not incurred any liability for Taxes arising from extraordinary gains or losses, as that term is used in GAAP, outside the ordinary course of business consistent with past custom and practice.
CBNK shall not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting for a taxable period ending on or prior to the Closing Date; (ii) “closing agreement” as described in Code Section 7121 (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the Closing Date; (iii) intercompany transactions or any excess loss account described in Treasury Regulations under Code Section 1502 (or any corresponding or similar provision of state, local or foreign income Tax law); (iv) installment sale or open transaction disposition made on or prior to the Closing Date; or (v) prepaid amount received on or prior to the Closing Date.

CBNK has not distributed stock of another Person or had its stock distributed by another Person in a transaction that was purported or intended to be governed in whole or in part by Section 355 or Section 361 of the Code.

CBNK has not participated in a listed transaction within the meaning of Reg. Section 1.6011-4 (or any predecessor provision) and CBNK has not been notified of, or to CBNK’s Knowledge has participated in, a transaction that is described as a “reportable transaction” within the meaning of Reg. Section 1.6011-4(b)(1).

Section 3.22 Investment Securities. CBNK Disclosure Schedule 3.22 sets forth the book and market value as of December 31, 2015 of the investment securities, mortgage backed securities and securities held for sale of CBNK, as well as, with respect to such securities, descriptions thereof, CUSIP numbers, book values, fair values and coupon rates.

Section 3.23 Derivative Transactions.

(a) All Derivative Transactions entered into by CBNK or for the account of any of its customers were entered into in accordance with applicable laws, rules, regulations and regulatory policies of any Governmental Authority, and in accordance with the investment, securities, commodities, risk management and other policies, practices and procedures employed by CBNK, and were entered into with counterparties believed at the time to be financially responsible and able to understand (either alone or in consultation with its advisers) and to bear the risks of such Derivative Transactions. CBNK has duly performed all of its obligations under the Derivative Transactions to the extent that such obligations to perform have accrued, and, to the Knowledge of CBNK, there are no breaches, violations or defaults or allegations or assertions of such by any party thereunder.

(b) Except as set forth in CBNK Disclosure Schedule 3.23, no Derivative Transactions, were it to be a Loan held by CBNK, would be classified as “Special Mention,” “Substandard,” “Doubtful,” “Loss,” “Classified,” “Criticized,” “Credit Risk Assets,” “Concerned Loans,” “Watch List” or words of similar import. The financial position of CBNK under or with respect to each such Derivative Transactions has been reflected in the books and records of CBNK in accordance with GAAP consistently applied, and no open exposure of CBNK with respect to any such instrument (or with respect to multiple instruments with respect to any single counterparty) exists.

Section 3.24 Loans; Nonperforming and Classified Assets.

(a) Except as set forth in CBNK Disclosure Schedule 3.24(a), as of the date hereof, CBNK is not a party to any written or oral (i) loan, loan agreement, note or borrowing arrangement (including, without limitation, leases, credit enhancements, commitments, guarantees and interest-bearing assets) (collectively, “Loans”), under the terms of which the obligor was, as of December 31, 2015, over sixty (60) days delinquent in payment of principal or interest or in default of any other material provision, or (ii) Loan with any director, executive officer or five percent or greater shareholder of CBNK, or to the Knowledge of CBNK, any person, corporation or enterprise controlling, controlled by or under common control with any of the foregoing. CBNK Disclosure Schedule 3.24(a) identifies (x) each Loan that as of December 31, 2015 was classified as “Special Mention,” “Substandard,” “Doubtful,” “Loss,” “Classified,” “Criticized,” “Credit Risk Assets,” “Concerned Loans,” “Watch List” or words of similar import by CBNK or any bank examiner, together with the principal amount of and accrued and unpaid interest on each such Loan and the identity of the borrower thereunder, and (y) each asset of CBNK that as of December 31, 2015 was classified as other real estate owned (“OREO”) and the book value thereof.
Except as identified in CBNK Disclosure Schedule 3.24(b), each Loan (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 secured, has been secured by valid Liens which have been perfected and (iii) to the Knowledge of CBNK, is a legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance and other laws of general applicability relating to or affecting creditors’ rights and to general equity principles.

The loan documents with respect to each Loan were in compliance with applicable laws and regulations and CBNK’s lending policies at the time of origination of such Loans and are complete and correct.

Except as set forth in CBNK Disclosure Schedule 3.24(d), CBNK is not a party to any agreement or arrangement with (or otherwise obligated to) any Person which obligates CBNK to repurchase from any such Person any Loan or other asset of CBNK.

Section 3.25 Tangible Properties and Assets.

(a) CBNK Disclosure Schedule 3.25(a) sets forth a true, correct and complete list of all real property owned by CBNK. Except as set forth in CBNK Disclosure Schedule 3.25(a), and except for properties and assets disposed of in the ordinary course of business or as permitted by this Agreement, CBNK has good title to, valid leasehold interests in or otherwise legally enforceable rights to use all of the real property, personal property and other assets (tangible or intangible), used, occupied and operated or held for use by it in connection with its business as presently conducted in each case, free and clear of any Lien, except for (i) statutory Liens for amounts not yet delinquent and (ii) Liens incurred in the ordinary course of business or imperfections of title, easements and encumbrances, if any, that, individually and in the aggregate, are not material in character, amount or extent, and do not materially detract from the value and do not materially interfere with the present use, occupancy or operation of any material asset.

(b) CBNK Disclosure Schedule 3.25(b) sets forth a true, correct and complete schedule of all leases, subleases, licenses and other agreements under which CBNK uses or occupies or has the right to use or occupy, now or in the future, real property (the “Leases”). Each of the Leases is valid, binding and in full force and effect and, as of the date hereof, CBNK has not received a written notice of, and otherwise has no Knowledge of any, default or termination with respect to any Lease. There has not occurred any event and no condition exists that would constitute a termination event or a material breach by CBNK of, or material default by CBNK in, the performance of any covenant, agreement or condition contained in any Lease, and to CBNK’s Knowledge, no lessor under a Lease is in material breach or default in the performance of any material covenant, agreement or condition contained in such Lease. Except as set forth on CBNK Disclosure Schedule 3.25(b), there is no pending or, to CBNK’s Knowledge, threatened proceeding, action or governmental or regulatory investigation of any nature by any Governmental Authority with respect to the real property that CBNK uses or occupies or has the right to use or occupy, now or in the future, including without limitation a pending or threatened taking of any of such real property by eminent domain. CBNK has paid all rents and other charges to the extent due under the Leases.

Section 3.26 Intellectual Property.

CBNK Disclosure Schedule 3.26 sets forth a true, complete and correct list of all CBNK Intellectual Property. CBNK owns or has a valid license to use all CBNK Intellectual Property, free and clear of all Liens, royalty or other payment obligations (except for royalties or payments with respect to off-the-shelf Software at standard commercial rates). CBNK Intellectual Property constitutes all of the Intellectual Property necessary to carry on the business of CBNK as currently conducted. CBNK Intellectual Property owned by CBNK, and to the Knowledge of CBNK, all other CBNK Intellectual Property, is valid and enforceable and has not been cancelled, forfeited, expired or abandoned, and CBNK has not received notice challenging the validity or enforceability of CBNK Intellectual Property. To the Knowledge of CBNK, the conduct of the business of CBNK does not violate, misappropriate or infringe upon the Intellectual Property rights of any third party. The consummation of the Transactions will not result in the loss or impairment of the right of CBNK to own or use any of the CBNK Intellectual Property.
Section 3.27  Fiduciary Accounts. Since December 31, 2015, CBNK has properly administered all accounts for which it is or was a fiduciary, including but not limited to accounts for which it serves or served as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents and applicable laws and regulations. Neither CBNK nor any of its directors, officers or employees, has committed any breach of trust with respect to any fiduciary account and the records for each such fiduciary account are true and correct and accurately reflect the assets of such fiduciary account.

Section 3.28  Insurance.

(a)  CBNK Disclosure Schedule 3.28(a) identifies all of the material insurance policies, binders, or bonds currently maintained by CBNK, other than credit-life policies (the “Insurance Policies”), including the insurer, policy numbers, amount of coverage, effective and termination dates and any pending claims thereunder involving more than $50,000. CBNK is insured with reputable insurers against such risks and in such amounts as the management of CBNK reasonably has determined to be prudent in accordance with industry practices. All the Insurance Policies are in full force and effect, CBNK is not in material default thereunder and all claims thereunder have been filed in due and timely fashion.

(b)  CBNK Disclosure Schedule 3.28(b) sets forth a true, correct and complete description of all bank owned life insurance (“BOLI”) owned by CBNK, including the value of BOLI as of the end of the month prior to the date hereof. The value of such BOLI as of the date hereof is fairly and accurately reflected in the CBNK Financial Statements in accordance with GAAP.

Section 3.29  Antitakeover Provisions. No “control share acquisition,” “business combination moratorium,” “fair price” or other form of antitakeover statute or regulation is applicable to this Agreement and the transactions contemplated hereby.

Section 3.30  Joint Proxy Statement/Prospectus. As of the date of the Joint Proxy Statement/Prospectus and the dates of the meeting of the shareholders of CBNK to which such Joint Proxy Statement/Prospectus relates, the Joint Proxy Statement/Prospectus 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 under which they were made, not misleading, provided that information as of a later date shall be deemed to modify information as of an earlier date, and further provided that no representation and warranty is made with respect to information relating to WFD and its Subsidiaries included in the Joint Proxy Statement/Prospectus.

Section 3.31  Disclosure. The representations and warranties contained in this Article III, when considered as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements and information contained in this Article III not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF WFD

As a material inducement to CBNK to enter into this Agreement and to consummate the transactions contemplated hereby, WFD hereby makes to CBNK the representations and warranties contained in this Article IV, provided, however, WFD shall not be deemed to have breached a representation or warranty as a consequence of the existence of any fact, event or circumstance unless such fact, circumstance or event, individually or taken together with all other facts, events or circumstances inconsistent with any representation or warranty contained in this Article IV, has had or is reasonably likely to have, a Material Adverse Effect (disregarding for purposes of this proviso any materiality or Material Adverse Effect qualification or exception contained in any representation or warranty). Notwithstanding the immediately preceding sentence, the representations and warranties contained in (x) Sections 4.04 shall be deemed untrue and incorrect if not true and correct except to a de minimis extent, (y) Sections 4.02, 4.05, 4.06, 4.07, 4.08(b), 4.15(a) and (c), 4.16(b), 4.17, 4.18(d), 4.24(c) and 4.29 shall be deemed untrue and incorrect if not true and correct in all material respects and (z) Section 4.11(a) shall be deemed untrue and incorrect if not true and correct in all respects.
Section 4.01 Making of Representations and Warranties. Except as set forth in the WFD Disclosure Schedule, WFD hereby represents and warrants to CBNK that the statements contained in this Article IV are correct as of the date of this Agreement and will be correct as of the Closing Date, except as to any representation or warranty which specifically relates to an earlier date, which only need be correct as of such earlier date.

Section 4.02 Organization, Standing and Authority of WFD. WFD is a Massachusetts corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts, and is duly registered as a savings and loan holding company under the Home Owners’ Loan Act of 1933, as amended. WFD has full corporate power and authority to carry on its business as now conducted. WFD is duly licensed or qualified to do business in the States of the United States and foreign jurisdictions where its ownership or leasing of property or the conduct of its business requires such qualification, except where the failure to be so qualified or licensed and in good standing would not have a Material Adverse Effect on WFD. The Articles of Organization, as amended, and Amended and Restated Bylaws of WFD, copies of which have been made available to CBNK, are true, complete and correct copies of such documents as in full force and effect as of the date of this Agreement.

Section 4.03 Organization, Standing and Authority of Westfield Bank. Westfield Bank is a federally-chartered savings bank duly organized, validly existing and in good standing under the laws of the United States. Westfield Bank’s deposits are insured by the FDIC in the manner and to the fullest extent provided by applicable law, and all premiums and assessments required to be paid in connection therewith have been paid by Westfield Bank when due. Westfield Bank is a member in good standing of the FHLB and owns the requisite amount of stock of each as set forth on WFD Disclosure Schedule 4.03. The charter and Bylaws of Westfield Bank, copies of which have been made available to CBNK, are true, complete and correct copies of such documents as in full force and effect as of the date of this Agreement.

Section 4.04 WFD Capital Stock.

(a) The authorized capital stock of WFD consists of 75,000,000 shares of WFD Common Stock, par value $0.01 per share, of which 18,267,747 shares are outstanding as of the date hereof, and 5,000,000 shares of preferred stock, of which no shares are outstanding. As of the date hereof, 13,666,902 shares of WFD Common Stock are held in treasury by WFD. The outstanding shares of WFD Common Stock have been duly authorized and validly issued and are fully paid and non-assessable. Except for the WFD Common Stock to be issued pursuant to this Agreement, WFD does not have any Rights issued or outstanding with respect to WFD Common Stock and WFD does not have any commitments to authorize, issue or sell any WFD Common Stock or Rights.

(b) WFD Disclosure Schedule 4.04(b) contains a list setting forth, as of the date of this Agreement, all outstanding WFD Restricted Share Awards pursuant to the WFD 2002 Recognition and Retention Plan, as amended, the WFD 2007 Recognition and Retention Plan, as amended, and the WFD 2014 Omnibus Incentive Plan (each, a “WFD Restricted Share Award”), a list of all holders with respect to each such award including identification of any such grantees that are not current or former employees, directors or officers of WFD, the date of grant of each such award, and any vesting schedule applicable to each unvested award. Upon issuance in accordance with the terms of the outstanding award agreements, the shares of WFD Common Stock issued pursuant to the WFD Restricted Share Awards shall be issued in compliance with all applicable laws. There are no outstanding options to purchase shares of WFD Common Stock.

Section 4.05 Subsidiaries. Except as set forth on WFD Disclosure Schedule 4.05, WFD does not, directly or indirectly, own or control any Affiliate. Except as disclosed on WFD Disclosure Schedule 4.05, WFD does not have any equity interest, direct or indirect, in any other bank or corporation or in any partnership, joint venture or other business enterprise or entity, except as acquired through settlement of indebtedness, foreclosure, the exercise of creditors’ remedies or in a fiduciary capacity, and the business carried on by WFD has not been conducted through any other direct or indirect Subsidiary or Affiliate of WFD. No such equity investment identified in WFD Disclosure Schedule 4.05 is prohibited by the Commonwealth of Massachusetts, the MADOB or the OCC.
Section 4.06 Corporate Power; Minute Books. Each of WFD and Westfield Bank has the corporate power and authority to carry on its business as it is now being conducted and to own all its properties and assets; and each of WFD and Westfield Bank has the corporate power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby, subject to receipt of all necessary approvals of Governmental Authorities and the approval of the shareholders of CBNK and WFD of this Agreement. The minute books of WFD contain true, complete and accurate records of all meetings and other corporate actions held or taken by shareholders of WFD and the WFD Board (including committees of the WFD Board).

Section 4.07 Execution and Delivery. Subject to the approval of this Agreement by the shareholders of WFD, this Agreement and the transactions contemplated hereby have been authorized by all necessary corporate action of WFD and the WFD Board on or prior to the date hereof. The WFD Board has directed that this Agreement be submitted to WFD’s shareholders for approval at a meeting of such shareholders and, except for the approval and adoption of this Agreement by the requisite affirmative vote of the holders of the outstanding shares of WFD Common Stock entitled to vote thereon, no other vote of the shareholders of WFD is required by law, the Articles of Organization, as amended, of WFD, the Amended and Restated Bylaws of WFD or otherwise to approve this Agreement and the transactions contemplated hereby. WFD has duly executed and delivered this Agreement and, assuming due authorization, execution and delivery by CBNK, this Agreement is a valid and legally binding obligation of WFD, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors’ rights or by general equity principles).

Section 4.08 Regulatory Approvals; No Defaults.

(a) No consents or approvals of, or waivers by, or filings or registrations with, any Governmental Authority or with any third party are required to be made or obtained by WFD or any of its Subsidiaries in connection with the execution, delivery or performance by WFD or Westfield Bank of this Agreement or to consummate the transactions contemplated hereby, except for (i) filings of applications or notices with, and consents, approvals or waivers by the FRB and the OCC, as may be required, and (ii) the approval of this Agreement by the requisite affirmative vote of the holders of the outstanding shares of WFD Common Stock. As of the date hereof, WFD is not aware of any reason why the approvals set forth above and referred to in Section 6.01(a) will not be received in a timely manner.

(b) Subject to receipt, or the making, of the consents, approvals, waivers and filings referred to in the preceding paragraph and expiration of the related waiting periods, the execution, delivery and performance of this Agreement by WFD, and the consummation of the transactions contemplated hereby do not and will not (i) constitute a breach or violation of, or a default under, the charter or Bylaws (or similar governing documents) of WFD or any of its Subsidiaries, (ii) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to WFD or any of its Subsidiaries, or any of their respective properties or assets or (iii) 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 WFD or any of its Subsidiaries under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, lease, contract, agreement or other instrument or obligation to which WFD or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound or affected.

Section 4.09 Financial Statements. WFD has previously made available to CBNK copies of the consolidated statements of condition of WFD and its Subsidiaries as of December 31 for the fiscal years 2015 and 2014, and the related consolidated statements of income, comprehensive income (loss), changes in shareholders’ equity, and cash flows for the fiscal years 2015, 2014 and 2013, in each case accompanied by the audit report of Wolf & Company, P.C., the independent registered public accounting firm of WFD (the “WFD Financial Statements”). The WFD Financial Statements (including the related notes, where applicable) fairly present (subject, in the case of the unaudited statements, to recurring audit adjustments normal in nature and amount), the results of the consolidated operations and consolidated financial position of WFD and its Subsidiaries for the respective fiscal periods or as of the respective dates therein set forth; each of such statements (including the related notes, where applicable) complies with applicable accounting requirements and each of such statements (including the related notes, where applicable) has been prepared in accordance with GAAP consistently applied during the periods involved, except as indicated in the notes thereto. The books and records of WFD and its Subsidiaries have been, and are being, maintained in accordance with GAAP and any other applicable legal and accounting requirements and reflect only actual transactions. Wolf & Company, P.C. has not resigned or been dismissed as independent public accountants of WFD as a result of or in connection with any disagreements with WFD on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.
Section 4.10 Securities Filings. WFD has filed with the SEC all reports, schedules, registration statements, definitive proxy statements and other documents that it has been required to file under the Securities Act or the Exchange Act since December 31, 2013 (collectively, “WFD’s SEC Reports”). None of WFD’s SEC Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. As of their respective dates of filing with the SEC, all of WFD’s SEC Reports complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act, as the case may be, and the rules and regulations of the SEC promulgated thereunder. Each of the financial statements (including, in each case, any notes thereto) of WFD included in WFD’s SEC Reports complied as to form, 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.

Section 4.11 Absence of Certain Changes or Events.

(a) Since December 31, 2015, there has been no change or development or combination of changes or developments which, individually or in the aggregate, has had or is reasonably likely to have a Material Adverse Effect on WFD.

(b) Since December 31, 2015, WFD has carried on its business only in the ordinary and usual course of business consistent with its past practices (except for the incurrence of expenses in connection with this Agreement).

(c) Except as set forth in WFD Disclosure Schedule 4.11(c), since December 31, 2015, WFD has not (i) increased the wages, salaries, compensation, pension, or other fringe benefits or perquisites payable to any officer, employee or director from the amount thereof in effect as of December 31, 2015, granted any severance or termination pay, entered into any contract to make or grant any severance or termination pay, or paid any bonus, (ii) declared, set aside or paid any dividend or other distribution (whether in cash, stock or property) with respect to any of WFD’s capital stock, (iii) effected or authorized any split, combination or reclassification of any of WFD’s capital stock or any issuance or issued any other securities in respect of, in lieu of or in substitution for shares of WFD’s capital stock, (iv) changed any accounting methods (or underlying assumptions), principles or practices of WFD affecting its assets, liabilities or business, including without limitation, any reserving, renewal or residual method, practice or policy, except in accordance with GAAP, (v) made any tax election by WFD or any settlement or compromise of any income tax liability by WFD, (vi) made any material change in WFD’s policies and procedures in connection with underwriting standards, origination, purchase and sale procedures or hedging activities with respect to any Loans, (vii) suffered any strike, work stoppage, slow-down, or other labor disturbance, (viii) been a party to a collective bargaining agreement, contract or other agreement or understanding with a labor union or organization, (ix) had any union organizing activities or (x) made any agreement or commitment (contingent or otherwise) to do any of the foregoing.

Section 4.12 Financial Controls and Procedures. During the periods covered by the WFD Financial Statements, WFD has had in place internal controls over financial reporting which are designed and maintained to ensure that (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management’s general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. None of WFD’s records, systems, controls, data or information are recorded, stored, maintained, operated or otherwise wholly or partly dependent on or held by any means (including any electronic, mechanical or photographic process, whether computerized or not) which (including all means of access thereto and therefrom) are not under the exclusive ownership and direct control of WFD or its accountants or agents.
Section 4.13 Regulatory Matters.

(a) WFD has timely filed all reports, registrations and statements, together with any amendments required to be made with respect thereto, that it was required to file since December 31, 2012 with any Governmental Authority, and has paid all fees and assessments due and payable in connection therewith. Except for normal examinations conducted by any Governmental Authority in the regular course of the business of WFD, and except as set forth in WFD Disclosure Schedule 4.13(a), no Governmental Authority has initiated any proceeding, or to the Knowledge of WFD, investigation into the business or operations of WFD, since December 31, 2012. Other than as set forth in WFD Disclosure Schedule 4.13(a) there is no unresolved violation, criticism, or exception by any Governmental Authority with respect to any report or statement relating to any examinations of Westfield Bank. Westfield Bank is “well-capitalized” as defined in applicable laws and regulations, and Bank has a Community Reinvestment Act rating of “satisfactory” or better.

(b) WFD has timely filed with the SEC and NASDAQ all documents required by the Securities Act and the Exchange Act, and such documents, as the same may have been amended, complied, at the time filed with the SEC, in all material respects with the Securities Act and the Exchange Act.

(c) Other than as set forth in WFD Disclosure Schedule 4.13(c), neither WFD, nor any of its properties is a party to or is subject to any Regulatory Order from any Governmental Authority charged with the supervision or regulation of financial institutions or issuers of securities or engaged in the insurance of deposits or the supervision or regulation of it. WFD has not been advised by, or has any Knowledge of facts which could give rise to an advisory notice by, any Governmental Authority that such Governmental Authority is contemplating issuing or requesting (or is considering the appropriateness of issuing or requesting) any Regulatory Order.

Section 4.14 Legal Proceedings.

(a) Other than as set forth in WFD Disclosure Schedule 4.14(a), there are no pending or, to WFD’s Knowledge, threatened legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against WFD.

(b) WFD is not a party to any, nor are there any pending or, to WFD’s Knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against WFD in which, to the Knowledge of WFD, there is a reasonable probability of any material recovery against or other Material Adverse Effect on WFD or which challenges the validity or propriety of the transactions contemplated by this Agreement.

(c) There is no injunction, order, judgment or decree imposed upon WFD, or the assets of WFD, and WFD has not been advised of, or is aware of, the threat of any such action.

Section 4.15 Compliance with Laws.

(a) WFD is in compliance with all applicable federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders or decrees applicable thereto or to the employees conducting such businesses, including, without limitation, the Equal Credit Opportunity Act, as amended, the Fair Housing Act, as amended, the Community Reinvestment Act, the Home Mortgage Disclosure Act, the Bank Secrecy Act of 1970, as amended, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, and all other applicable fair lending and fair housing laws or other laws relating to discrimination;
WFD has all permits, licenses, authorizations, orders and approvals of, and have made all filings, applications and registrations with, all Governmental Authorities that are required in order to permit it to own or lease their properties and to conduct their business as presently conducted; all such permits, licenses, certificates of authority, orders and approvals are in full force and effect and, to WFD’s Knowledge, no suspension or cancellation of any of them is threatened; and

Other than as set forth in WFD Disclosure Schedule 4.15(c), WFD has received, since December 31, 2013, no notification or communication from any Governmental Authority (i) asserting that it is not in compliance with any of the statutes, regulations or ordinances which such Governmental Authority enforces, or (ii) threatening to revoke any license, franchise, permit or governmental authorization (nor, to WFD’s Knowledge, do any grounds for any of the foregoing exist).

Section 4.16 Material Contracts; Defaults.

(a) Other than as set forth in WFD Disclosure Schedule 4.16(a), WFD is not a party to, bound by or subject to any agreement, contract, arrangement, commitment or understanding (whether written or oral): (i) with respect to the employment of any directors, officers, employees or consultants; (ii) which would entitle any present or former director, officer, employee or agent of WFD to indemnification from WFD; (iii) which is an agreement (including data processing, software programming and licensing contracts) not terminable on sixty (60) days or less notice and involving the payment of more than $25,000 per annum; or (iv) which materially restricts the conduct of any business by WFD. WFD has previously delivered to CBNK true, complete and correct copies of each such document.

(b) To its Knowledge, WFD is not in default under any contract, agreement, commitment, arrangement, lease, insurance policy or other instrument to which it is a party, by which it has assets, business, or operations may be bound or affected, or under which it or its assets, business, or operations receives benefits, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default. No power of attorney or similar authorization given directly or indirectly by WFD is currently outstanding.

Section 4.17 Brokers.

WFD has received the opinion of Griffin Financial Group LLC to the effect that, as of the date hereof, the Exchange Ratio is fair, from a financial point of view, to WFD’s shareholders. Other than for financial advisory services performed for WFD by Griffin Financial pursuant to an agreement dated December 1, 2015, a true and complete copy of which has been previously delivered or made available to CBNK, neither WFD nor any of its Subsidiaries, nor any of their respective officers, directors, employees or agents, has employed any broker or finder or incurred any liability for any financial advisory fees, brokerage fees, commissions or finder’s fees, and no broker or finder has acted directly or indirectly for WFD or any of its Subsidiaries in connection with this Agreement or the transactions contemplated hereby.

Section 4.18 Employee Benefit Plans.

(a) All benefit and compensation plans, contracts, policies or arrangements covering current or former employees of WFD and its Subsidiaries and current or former directors of WFD and its Subsidiaries including, but not limited to, “employee benefit plans” within the meaning of Section 3(3) of ERISA, and deferred compensation, stock option, stock purchase, stock appreciation rights, stock based, incentive and bonus plans (the “WFD Benefit Plans”), are identified in WFD Disclosure Schedule 4.18(a).

(b) To the Knowledge of WFD, each WFD Benefit Plan has been operated and administered in all material respects in accordance with its terms and with applicable law, including, but not limited to, ERISA, the Code, the Securities Act, the Exchange Act, the Age Discrimination in Employment Act, COBRA, HIPAA, and any regulations or rules promulgated thereunder, and all material filings, disclosures and notices required by ERISA, the Code, the Securities Act, the Exchange Act, the Age Discrimination in Employment Act, COBRA, and HIPAA and any other applicable law have been timely made or any interest, fines, penalties or other impositions for late filings have been paid in full. Other than as set forth in WFD Disclosure Schedule 4.18(b), each WFD Benefit Plan which is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the IRS, and WFD is not aware of any circumstances which are reasonably likely to result in revocation of any such favorable determination letter. There is no material pending or, to the Knowledge of WFD, threatened action, suit or claim relating to any of the WFD Benefit Plans (other than routine claims for benefits). Neither WFD nor any of its Subsidiaries have engaged in a transaction, or omitted to take any action, with respect to any WFD Benefit Plan that would reasonably be expected to subject WFD or any Subsidiary to a material unpaid tax or penalty imposed by either Section 4975 of the Code or Section 502 of ERISA.
No liability to any Governmental Entity, other than PBGC premiums arising in the ordinary course of business, has been or is expected by WFD or any Subsidiary with respect to any WFD Benefit Plan which is subject to Title IV of ERISA (“WFD Defined Benefit Plan”) currently or formerly maintained by WFD or any entity which is considered one employer with WFD under Section 4001(b)(1) of ERISA or Section 414 of the Code (an “WFD ERISA Affiliate”). Neither WFD nor any WFD ERISA Affiliate has contributed to any “multiemployer plan,” as defined in Section 3(37) of ERISA. No notice of a “reportable event,” within the meaning of Section 4043 of ERISA for which the 30-day reporting requirement has not been waived, has been required to be filed for any WFD Defined Benefit Plan or by any WFD ERISA Affiliate within the 12 month period ending on the date hereof or will be required to be filed in connection with the transactions contemplated by this Agreement. No WFD Defined Benefit Plan or single-employer plan of any WFD ERISA Affiliate has an “accumulated funding deficiency” (whether or not waived) within the meaning of Section 412 of the Code or Section 302 of ERISA and no ERISA Affiliate has an outstanding funding waiver. WFD has not provided, and is not required to provide, security to any WFD Defined Benefit Plan or to any single-employer plan of an ERISA Affiliate pursuant to Section 401(a)(29) of the Code.

(d) All contributions required to be made under the terms of any WFD Benefit Plan have been timely made, and all anticipated contributions and funding obligations are accrued on WFD’s consolidated financial statements to the extent required by GAAP. WFD and its Subsidiaries have expensed and accrued as a liability the present value of future benefits under each applicable WFD Benefit Plan for financial reporting purposes as required by GAAP.

Section 4.19 Labor Matters. WFD is not a party to or bound by any collective bargaining agreement, contract or other agreement or understanding with a labor union or labor organization, nor is WFD the subject of a proceeding asserting that it has committed an unfair labor practice (within the meaning of the National Labor Relations Act, as amended) or seeking to compel WFD to bargain with any labor organization as to wages or conditions of employment, nor is there any strike or other labor dispute involving it pending or, to WFD’s Knowledge, threatened, nor is WFD aware of any activity involving its employees seeking to certify a collective bargaining unit or engaging in other organizational activity.

Section 4.20 Environmental Matters.

(a) To its Knowledge, WFD and its owned real properties are in material compliance with all Environmental Laws. WFD is not aware of, nor has WFD received notice of, any past, present, or future conditions, events, activities, practices or incidents that may interfere with or prevent the material compliance of WFD with all Environmental Laws.

(b) To its Knowledge, WFD has obtained all material permits, licenses and authorizations that are required under all Environmental Laws.

(c) To WFD’s Knowledge, No Hazardous Substance exist on, about or within any of the owned real properties, nor to WFD’s Knowledge have any Hazardous Substance previously existed on, about or within or been used, generated, stored, transported, disposed of, on or released from any of the Properties. The use that WFD makes and intends to make of the owned real properties shall not result in the use, generation, storage, transportation, accumulation, disposal or release of any Hazardous Substance on, in or from any of those properties.

(d) There is no action, suit, proceeding, investigation, or inquiry before any court, administrative agency or other governmental authority pending or to WFD’s Knowledge threatened against WFD relating in any way to any Environmental Law. To its Knowledge, WFD has no liability for remedial action under any Environmental Law. WFD has not received any request for information by any governmental authority with respect to the condition, use or operation of any of the owned real properties or WFD Loan Property nor has WFD received any notice of any kind from any governmental authority or other person with respect to any violation of or claimed or potential liability of any kind under any Environmental Law with respect to any of the owned real properties or WFD Loan Property.
Section 4.21 Tax Matters.

(a) WFD has filed all Tax Returns that it was required to file under applicable laws and regulations, other than Tax Returns that are not yet due or for which a request for extension was filed. All such Tax Returns were correct and complete in all material respects and have been prepared in substantial compliance with all applicable laws and regulations. All Taxes due and owing by WFD (whether or not shown on any Tax Return) have been paid other than Taxes that have been reserved or accrued on the balance sheet of WFD and which WFD is contesting in good faith. WFD is not the beneficiary of any extension of time within which to file any Tax Return, and neither WFD nor any of its Subsidiaries currently has any open tax years. No claim has ever been made by an authority in a jurisdiction where WFD does not file Tax Returns that it is or may be subject to taxation by that jurisdiction. There are no Liens for Taxes (other than Taxes not yet due and payable) upon any of the assets of WFD.

(b) WFD has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, shareholder, or other third party.

(c) No foreign, federal, state, or local tax audits or administrative or judicial Tax proceedings are being conducted or to the Knowledge of WFD are pending with respect to WFD. WFD has not received from any foreign, federal, state, or local taxing authority (including jurisdictions where WFD has not filed Tax Returns) any (i) notice indicating an intent to open an audit or other review, (ii) request for information related to Tax matters, or (iii) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any taxing authority against WFD.

(d) WFD has provided CBNK with true and complete copies of the United States federal, state, local, and foreign income Tax Returns filed with respect to WFD for taxable periods ended December 31, 2015, 2014 and 2013. WFD has delivered to CBNK correct and complete copies of all examination reports, and statements of deficiencies assessed against or agreed to by WFD filed for the years ended December 31, 2015, 2014 and 2013. WFD has timely and properly taken such actions in response to and in compliance with notices WFD has received from the IRS in respect of information reporting and backup and nonresident withholding as are required by law.

(e) WFD has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(f) WFD has not been a United States real property holding corporation within the meaning of Code Section 897(c)(2) during the applicable period specified in Code Section 897(c)(1)(A)(ii). WFD has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code Section 6662. WFD is not a party to or bound by any Tax allocation or sharing agreement. WFD (i) has not been a member of an affiliated group filing a consolidated federal income Tax Return, and (ii) has no liability for the Taxes of any individual, bank, corporation, partnership, association, joint stock company, business trust, limited liability company, or unincorporated organization (other than WFD) under Reg. Section 1.1502-6 (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

(g) The unpaid Taxes of WFD (i) did not, as of the end of the most recent period covered by WFD’s call reports filed on or prior to the date hereof, exceed the reserve for Tax liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the financial statements included in WFD’s call reports filed on or prior to the date hereof (rather than in any notes thereto), and (ii) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of WFD in filing its Tax Returns. Since the end of the most recent period covered by WFD’s call reports filed prior to the date hereof, WFD has not incurred any liability for Taxes arising from extraordinary gains or losses, as that term is used in GAAP, outside the ordinary course of business consistent with past custom and practice.
WFD shall not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting for a taxable period ending on or prior to the Closing Date; (ii) “closing agreement” as described in Code Section 7121 (or any corresponding or similar provision of state, local or foreign income tax law) executed on or prior to the Closing Date; (iii) intercompany transactions or any excess loss account described in Treasury Regulations under Code Section 1502 (or any corresponding or similar provision of state, local or foreign income tax law); (iv) installment sale or open transaction disposition made on or prior to the Closing Date; or (v) prepaid amount received on or prior to the Closing Date.

WFD has not distributed stock of another Person or had its stock distributed by another Person in a transaction that was purported or intended to be governed in whole or in part by Section 355 or Section 361 of the Code.

WFD has not participated in a listed transaction within the meaning of Reg. Section 1.6011-4 (or any predecessor provision) and WFD has not been notified of, or to WFD’s Knowledge has participated in, a transaction that is described as a “reportable transaction” within the meaning of Reg. Section 1.6011-4(b)(1).

Section 4.22 Investment Securities, WFD Disclosure Schedule 4.22 sets forth the book and market value as of December 31, 2015 of the investment securities, mortgage backed securities and securities held for sale of WFD, as well as, with respect to such securities, descriptions thereof, CUSIP numbers, book values, fair values and coupon rates.

Section 4.23 Derivative Transactions. (a) All Derivative Transactions entered into by WFD or for the account of any of its customers were entered into in accordance with applicable laws, rules, regulations and regulatory policies of any Governmental Authority, and in accordance with the investment, securities, commodities, risk management and other policies, practices and procedures employed by WFD, and were entered into with counterparties believed at the time to be financially responsible and able to understand (either alone or in consultation with its advisers) and to bear the risks of such Derivative Transactions. WFD has duly performed all of its obligations under the Derivative Transactions to the extent that such obligations to perform have accrued, and, to the Knowledge of WFD, there are no breaches, violations or defaults or allegations or assertions of such by any party thereunder.

(b) Except as set forth in WFD Disclosure Schedule 4.23(b), no Derivative Transactions, were it to be a Loan held by WFD, would be classified as “Special Mention,” “Substandard,” “Doubtful,” “Loss,” “Classified,” “Criticized,” “Credit Risk Assets,” “Concerned Loans,” “Watch List” or words of similar import. The financial position of WFD under or with respect to each such Derivative Transactions has been reflected in the books and records of WFD in accordance with GAAP consistently applied, and no open exposure of WFD with respect to any such instrument (or with respect to multiple instruments with respect to any single counterparty) exists.

Section 4.24 Loans; Nonperforming and Classified Assets.

(a) Except as set forth in WFD Disclosure Schedule 4.24(a), as of the date hereof, WFD is not a party to any written or oral (i) Loans, under the terms of which the obligor was, as of December 31, 2015, over sixty (60) days delinquent in payment of principal or interest or in default of any other material provision, or (ii) Loan with any director, executive officer or five percent or greater shareholder of WFD, or to the Knowledge of WFD, any person, corporation or enterprise controlling, controlled by or under common control with any of the foregoing. WFD Disclosure Schedule 4.24(a) identifies (x) each Loan that as of December 31, 2015 was classified as “Special Mention,” “Substandard,” “Doubtful,” “Loss,” “Classified,” “Criticized,” “Credit Risk Assets,” “Concerned Loans,” “Watch List” or words of similar import by WFD or any bank examiner, together with the principal amount of and accrued and unpaid interest on each such Loan and the identity of the borrower thereunder, and (y) each asset of WFD that as of December 31, 2015 was classified as OREO and the book value thereof.

(b) Each Loan (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 secured, has been secured by valid Liens which have been perfected and (iii) to the Knowledge of WFD, is a legal, valid and binding obligation of the obligor named therein, enforceable in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance and other laws of general applicability relating to or affecting creditors’ rights and to general equity principles.
The loan documents with respect to each Loan were in compliance with applicable laws and regulations and WFD’s lending policies at the time of origination of such Loans and are complete and correct.

Except as set forth in WFD Disclosure Schedule 3.24(d), WFD is not a party to any agreement or arrangement with (or otherwise obligated to) any Person which obligates WFD to repurchase from any such Person any Loan or other asset of WFD.

Section 4.25 Tangible Properties and Assets.

(a) WFD Disclosure Schedule 4.25(a) sets forth a true, correct and complete list of all real property owned by WFD. Except as set forth in WFD Disclosure Schedule 4.25(a), and except for properties and assets disposed of in the ordinary course of business or as permitted by this Agreement, WFD has good title to, valid leasehold interests in or otherwise legally enforceable rights to use all of the real property, personal property and other assets (tangible or intangible), used, occupied and operated or held for use by it in connection with its business as presently conducted in each case, free and clear of any Lien, except for (i) statutory Liens for amounts not yet delinquent and (ii) Liens incurred in the ordinary course of business or imperfections of title, easements and encumbrances, if any, that, individually and in the aggregate, are not material in character, amount or extent, and do not materially detract from the value and do not materially interfere with the present use, occupancy or operation of any material asset.

(b) WFD Disclosure Schedule 4.25(b) sets forth a true, correct and complete schedule of all Leases. Each of the Leases is valid, binding and in full force and effect and, as of the date hereof, WFD has not received a written notice of, and otherwise has no Knowledge of, any default or termination with respect to any Lease. There has not occurred any event and no condition exists that would constitute a termination event or a material breach by WFD of, or material default by WFD in, the performance of any covenant, agreement or condition contained in any Lease, and to WFD’s Knowledge, no lessor under a Lease is in material breach or default in the performance of any material covenant, agreement or condition contained in such Lease. Except as set forth on WFD Disclosure Schedule 4.25(b), there is no pending or, to WFD’s Knowledge, threatened proceeding, action or governmental or regulatory investigation of any nature by any Governmental Authority with respect to the real property that WFD uses or occupies or has the right to use or occupy, now or in the future, including without limitation a pending or threatened taking of any of such real property by eminent domain. WFD has paid all rents and other charges to the extent due under the Leases.

Section 4.26 Intellectual Property. WFD Disclosure Schedule 4.26 sets forth a true, complete and correct list of all WFD Intellectual Property. WFD owns or has a valid license to use all WFD Intellectual Property, free and clear of all Liens, royalty or other payment obligations (except for royalties or payments with respect to off-the-shelf Software at standard commercial rates). WFD Intellectual Property constitutes all of the Intellectual Property necessary to carry on the business of WFD as currently conducted. WFD Intellectual Property owned by WFD, and to the Knowledge of WFD, all other WFD Intellectual Property, is valid and enforceable and has not been cancelled, forfeited, expired or abandoned, and WFD has not received notice challenging the validity or enforceability of WFD Intellectual Property. To the Knowledge of WFD, the conduct of the business of WFD does not violate, misappropriate or infringe upon the Intellectual Property rights of any third party. The consummation of the Transactions will not result in the loss or impairment of the right of WFD to own or use any of the WFD Intellectual Property.

Section 4.27 Fiduciary Accounts. Since December 31, 2015, WFD has properly administered all accounts for which it is or was a fiduciary, including but not limited to accounts for which it serves or served as a trustee, agent, custodian, personal representative, guardian, conservator or investment advisor, in accordance with the terms of the governing documents and applicable laws and regulations. Neither WFD nor any of its directors, officers or employees, has committed any breach of trust with respect to any fiduciary account and the records for each such fiduciary account are true and correct and accurately reflect the assets of such fiduciary account.
Section 4.28 Insurance.

(a) **WFD Disclosure Schedule 4.28(a)** identifies all of the material Insurance Policies, including the insurer, policy numbers, amount of coverage, effective and termination dates and any pending claims thereunder involving more than $50,000. WFD is insured with reputable insurers against such risks and in such amounts as the management of WFD reasonably has determined to be prudent in accordance with industry practices. All the Insurance Policies are in full force and effect, WFD is not in material default thereunder and all claims thereunder have been filed in due and timely fashion.

(b) **WFD Disclosure Schedule 4.28(b)** sets forth a true, correct and complete description of all BOLI owned by WFD, including the value of BOLI as of the end of the month prior to the date hereof. The value of such BOLI as of the date hereof is fairly and accurately reflected in the WFD Financial Statements in accordance with GAAP.

Section 4.29 Antitakeover Provisions. No “control share acquisition,” “business combination moratorium,” “fair price” or other form of antitakeover statute or regulation is applicable to this Agreement and the transactions contemplated hereby.

Section 4.30 WFD Common Stock. The shares of WFD Common Stock to be issued pursuant to this Agreement, when issued in accordance with the terms of this Agreement, will be duly authorized, validly issued, fully paid and non-assessable and subject to no preemptive rights.

Section 4.31 Joint Proxy Statement/Prospectus. As of the date of the Joint Proxy Statement/Prospectus and the dates of the meeting of the shareholders of WFD to which such Joint Proxy Statement/Prospectus relates, the Joint Proxy Statement/Prospectus 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 under which they were made, not misleading, provided that information as of a later date shall be deemed to modify information as of an earlier date, and further provided that no representation and warranty is made with respect to information relating to CBNK included in the Joint Proxy Statement/Prospectus.

Section 4.32 Disclosure. The representations and warranties contained in this Article IV, when considered as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements and information contained in this Article IV not misleading.

ARTICLE V
COVENANTS

Section 5.01 Covenants of CBNK. During the period from the date of this Agreement and continuing until the Effective Time, except as expressly contemplated or permitted by this Agreement or with the prior written consent of WFD, CBNK shall carry on its business in the ordinary course consistent with past practice and consistent with prudent banking practice and in compliance in all material respects with all applicable laws and regulations. CBNK will use its reasonable best efforts to (i) preserve its business organization intact, (ii) keep available to itself and WFD the present services of the current officers and employees of CBNK and (iii) preserve for itself and WFD the goodwill of the customers of CBNK and others with whom business relationships exist. Without limiting the generality of the foregoing, and except as set forth in the CBNK Disclosure Schedule or as otherwise expressly contemplated or permitted by this Agreement or consented to in writing by WFD, CBNK shall not:

(a) **Capital Stock.** Other than pursuant to stock options, or stock-based awards outstanding as of the date hereof and listed in the CBNK Disclosure Schedules, (i) issue, sell or otherwise permit to become outstanding, or authorize the creation or reservation of, any additional shares of capital stock or any Rights, (ii) permit any additional shares of capital stock to become subject to grants of employee or director stock options, warrants or other Rights, or (iii) redeem, retire, purchase or otherwise acquire, directly or indirectly, any CBNK Common Stock, or obligate itself to purchase, retire or redeem, any of its shares of CBNK Common Stock (except to the extent necessary to effect a cashless exercise of CBNK Options outstanding on the date hereof).
(b) **Dividends; Etc.** (i) Make, declare, pay or set aside for payment any dividend on or in respect of, or declare or make any distribution on, any shares of stock other than (x) dividends from wholly owned Subsidiaries to CBNK or any other wholly owned Subsidiary of CBNK, as applicable, or (y) regular quarterly cash dividends on CBNK Common Stock no greater than the rate paid during the fiscal quarter immediately preceding the date hereof with record and payment dates consistent with past practice (subject to the last sentence of this clause (b)), or (ii) directly or indirectly adjust, split, combine, redeem, reclassify, purchase or otherwise acquire, any shares of its capital stock. After the date hereof, CBNK shall coordinate with WFD regarding the declaration of any dividends in respect of CBNK Common Stock and the record dates and payment dates relating thereto, it being the intention of the parties hereto that holders of CBNK Common Stock shall not receive two (2) dividends for any single calendar quarter with respect to their shares of CBNK Common Stock and any shares of WFD Common Stock that such holders receive in exchange therefor in the Merger.

(c) **Compensation; Employment Agreements, Etc.** Enter into or amend or renew any employment, consulting, severance or similar agreements or arrangements with any director, officer or employee of CBNK or grant any salary or wage increase or increase any employee benefit or pay any incentive or bonus payments, except (i) for normal increases in compensation to employees in the ordinary course of business consistent with past practice, provided that no such increase shall be more than three percent (3%) with respect to any individual officer, director or employee and provided further that any increases, either singularly or in the aggregate, shall be consistent with CBNK’s 2016 budget, a copy of which has been made available to WFD, (ii) CBNK shall be permitted to make cash contributions to the tax-qualified CBNK Pension Plans in the ordinary course of business consistent with past practice, and (iii) CBNK shall be permitted to pay, with prior written consent of WFD (not to be unreasonably withheld), accrued bonuses or cash in lieu of phantom awards, as the case may be, at the Closing Date consistent with past practice and prorated through the Closing Date to those employees whose bonus payment or phantom award amounts for fiscal year 2015 and estimated bonus payment amounts or cash in lieu of phantom awards for full-fiscal year 2016 are listed on CBNK Disclosure Schedule 5.01(c).

(d) **Hiring.** Hire any person as an employee of CBNK or promote any employee, except (i) to satisfy contractual obligations existing as of the date hereof and set forth on CBNK Disclosure Schedule 5.01(d) and (ii) persons hired to fill any vacancies arising after the date hereof at an annual salary of less than $50,000 and whose employment is terminable at the will of CBNK.

(e) **Benefit Plans.** Enter into, establish, adopt, amend, modify or terminate (except (i) as may be required by or to make consistent with applicable law or the terms of this Agreement, subject to the provision of prior written notice and consultation with respect thereto to WFD, or (ii) to satisfy contractual obligations existing as of the date hereof and set forth on CBNK Disclosure Schedule 5.01(e)), any pension, retirement, stock option, stock purchase, savings, profit sharing, deferred compensation, consulting, bonus, group insurance or other employee benefit, incentive or welfare contract, plan or arrangement, or any trust agreement (or similar arrangement) related thereto, in respect of any current or former director, officer or employee of CBNK.

(f) **Transactions with Affiliates.** Pay, loan or advance any amount to, or sell, transfer or lease any properties or assets (real, personal or mixed, tangible or intangible) to, or enter into any agreement or arrangement with, any of its officers or directors or any of their immediate family members or any affiliates or associates (as such terms are defined under the Exchange Act) of any of its officers or directors, other than (i) compensation in the ordinary course of business consistent with past practice, (ii) loans, subject to subsection 5.01(r), or (iii) deposit transactions; provided that, WFD shall have been deemed to have consented to any such renewal, extension or modification of any agreement or arrangement with any such officer or director or any of their immediate family members or affiliates or associates if WFD does not object to any such proposed renewal, extension or modification within five business days of receipt by WFD of a request by CBNK to renew, extend or modify such a transaction along with all financial or other data that WFD may reasonably request in order to evaluate the same;

(g) **Dispositions.** Sell, transfer, mortgage, pledge, encumber or otherwise dispose of or discontinue any of its assets, deposits, business or properties except in the ordinary course of business consistent with past practice and in a transaction that, together with all other such transactions, is not material to CBNK taken as a whole.
(h) **Acquisitions.** Acquire (other than by way of foreclosures or acquisitions of control in a bona fide fiduciary capacity or in satisfaction of debts previously contracted in good faith, in each case in the ordinary and usual course of business consistent with past practice) all or any portion of the assets, business, deposits or properties of any other entity.

(i) **Capital Expenditures.** Other than as set forth on CBNK Disclosure Schedule 5.01(i), make any capital expenditures other than capital expenditures in the ordinary course of business consistent with past practice in amounts not exceeding $25,000 individually or $100,000 in the aggregate.

(j) **Governing Documents.** Amend CBNK’s Articles of Organization or Bylaws.

(k) **Accounting Methods.** Implement or adopt any change in its accounting principles, practices or methods, other than as may be required by applicable laws or regulations or GAAP.

(l) **Contracts.** Except in the ordinary course of business consistent with past practice or as otherwise expressly permitted by this Agreement, enter into, amend, modify or terminate any Material Contract, Lease or Insurance Policy.

(m) **Claims.** Enter into any settlement or similar agreement with respect to any action, suit, proceeding, order or investigation to which CBNK is or becomes a party after the date of this Agreement, which settlement, agreement or action involves payment by CBNK of an amount which exceeds $50,000 and/or would impose any material restriction on the business of CBNK.

(n) **Banking Operations.** Enter into any new material line of business; materially change its material lending, investment, underwriting, risk and asset liability management and other material banking and operating policies, except as required by applicable law, regulation or policies imposed by any Governmental Authority; or file any application or make any contract with respect to branching or site location or site relocation.

(o) **Derivatives Transactions.** Enter into any Derivatives Transactions, except in the ordinary course of business consistent with past practice.

(p) **Indebtedness.** Incur any indebtedness for borrowed money (other than deposits, federal funds purchased, borrowings from the FHLB and securities sold under agreements to repurchase, in each case in the ordinary course of business consistent with past practice) or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other Person, other than in the ordinary course of business consistent with past practice.

(q) **Investment Securities.** Acquire (other than by way of foreclosures or acquisitions in a bona fide fiduciary capacity or in satisfaction of debts previously contracted in good faith, in each case in the ordinary course of business consistent with past practice) (i) any debt security or equity investment of a type or in an amount that is not permissible for a national bank or (ii) any debt security, including mortgage-backed and mortgage related securities, other than U.S. government and U.S. government agency securities with final maturities not greater than five years or mortgage-backed or mortgage related securities which would not be considered “high risk” securities under applicable regulatory pronouncements, in each case purchased in the ordinary course of business consistent with past practice; or restructure or materially change its investment securities portfolio, through purchases, sales or otherwise, or the manner in which such portfolio or any securities therein are classified under GAAP or reported for regulatory purposes.

(r) **Loans.** Except to satisfy contractual obligations existing as of the date hereof and set forth on CBNK Disclosure Schedule 5.01(r), make, renegotiate, renew, increase, extend, modify or purchase any Loan, other than in accordance with CBNK’s loan policies and procedures in effect as of the date hereof; provided, however, that the prior notification and approval of WFD is required for (i) any new origination in excess of $4,000,000 or (ii) any additional extension of credit to a borrower whose Loan is determined to be substandard or classified. For purposes of this Section 5.01(r), consent shall be deemed given unless WFD objects within 48 hours of notification.
(s) **Investments in Real Estate.** Make any investment or commitment to invest in real estate or in any real estate development project (other than by way of foreclosure or acquisitions in a bona fide fiduciary capacity or in satisfaction of a debt previously contracted in good faith, in each case in the ordinary course of business consistent with past practice).

(t) **Taxes.** Make or change any Tax election, file any amended Tax Return, enter into any closing agreement, settle or compromise any liability with respect to Taxes, agree to any adjustment of any Tax attribute, file any claim for a refund of Taxes, or consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment.

(u) **Compliance with Agreements.** Knowingly commit any act or omission which constitutes a material breach or default by CBNK under any agreement with any Governmental Authority or under any Material Contract, Lease or other material agreement or material license to which it is a party or by which it or its properties is bound.

(v) **Environmental Assessments.** Foreclose on or take a deed or title to any commercial real estate without first conducting a Phase I environmental assessment of the property or foreclose on any commercial real estate if such environmental assessment indicates the presence of a Hazardous Substance in amounts which, if such foreclosure were to occur, would be material.

(w) **Insurance.** Cause or allow the loss of insurance coverage, unless replaced with coverage which is substantially similar (in amount and insurer) to that now in effect.

(x) **Liens.** Discharge or satisfy any Lien or pay any obligation or liability, whether absolute or contingent, due or to become due, except in the ordinary course of business consistent with normal banking practices.

(y) **Adverse Actions.** Knowingly take any action or fail to take any action that is intended or is reasonably likely to result in (i) any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect at any time at or prior to the Effective Time, (ii) any of the conditions to the Merger set forth in Article VI not being satisfied or (iii) a material violation of any provision of this Agreement, except, in each case, as may be required by applicable law or regulation.

(z) **Dissolution of Subsidiary.** Immediately prior to the Effective Time, CBNK shall dissolve Cabot Management Corporation, CBNK’s wholly-owned subsidiary. Prior to such time, CBNK shall not and shall not permit any of its Subsidiaries to conduct any operations, acquire any assets, incur any liabilities or enter into any contract using Cabot Management Corporation.

(aa) **Commitments.** Enter into any contract with respect to, or otherwise agree or commit to do, any of the foregoing.

Section 5.02 **Covenants of WFD.** From the date hereof until the Effective Time, except as expressly contemplated or permitted by this Agreement, without the prior written consent of CBNK, WFD will not, and will cause each of its Subsidiaries not to:

(a) **Adverse Actions.** (i) take any action reasonably likely to result in any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect at any time at or prior to the Effective Time, (ii) take any action reasonably likely to result in any of the conditions to the Merger set forth in Article VI not being satisfied, (iii) take any action reasonably likely to prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368 of the Code, (iv) agree to take, make any commitment to take, or adopt any resolutions of its Board of Directors in support of, any of the actions prohibited by this Section 5.02, (v) enter into any material definitive merger agreement, purchase and assumption agreement or similar document involving WFD or any of its Subsidiaries with respect to the acquisition of any other insured depository institution or its assets or the assumption of its liabilities, (vi) issue any additional shares of WFD Common Stock or any securities convertible into WFD Common Stock, except for existing and future grants under WFD’s stock-based benefit plans, (vii) take any action reasonably likely to adversely affect or delay its ability to perform its obligations under this Agreement or to consummate the transactions contemplated hereby, (viii) take any action reasonably likely to result in a material violation of any provision of this Agreement except, in each case, as may be required by applicable law or regulation, or (ix) operate its business other than in the ordinary course consistent with past practice and consistent with prudent banking practice and in compliance in all material respects with all applicable laws and regulations.
(b) **Commitments.** Enter into any contract with respect to, or otherwise agree or commit to do, any of the foregoing.

**Section 5.03 Reasonable Best Efforts.** Subject to the terms and conditions of this Agreement, each of the parties to this Agreement agrees to use its reasonable best efforts in good faith to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws, so as to permit consummation of the transactions contemplated hereby as promptly as practicable, and otherwise to enable consummation of the Transactions, including the satisfaction of the conditions set forth in Article VI hereof, and shall cooperate fully with the other parties hereto to that end.

**Section 5.04 Shareholder Approval.**

(a) **WFD agrees to take,** in accordance with applicable law, the Articles of Organization, as amended, and the Amended and Restated Bylaws of WFD, all action necessary to convene a special meeting of its shareholders to consider and vote upon the approval of this Agreement and any other matters required to be approved by WFD’s shareholders in order to permit consummation of the transactions contemplated by this Agreement (including any adjournment or postponement, the “WFD Meeting”) and, subject to Section 5.08, shall take all lawful action to solicit such approval by such shareholders. WFD agrees to use its best efforts to convene the WFD Meeting within thirty-five (35) days after the initial mailing of the Joint Proxy Statement/Prospectus to shareholders of WFD pursuant to Section 5.05, and in any event shall convene the WFD Meeting within forty-five (45) days after such mailing. Except for matters that would ordinarily be considered at WFD’s annual meeting of shareholders or with the prior approval of CBNK, no other matters shall be submitted for the approval of WFD shareholders at the WFD Meeting. The WFD Board shall at all times prior to and during the WFD Meeting recommend adoption of this Agreement by the shareholders of WFD and shall not withhold, withdraw, amend or modify such recommendation in any manner or take any other action or make any other public statement inconsistent with such recommendation.

(b) **CBNK agrees to take,** in accordance with applicable law, the Articles of Organization and the Amended and Restated Bylaws of CBNK, all action necessary to convene a special meeting of its shareholders to consider and vote upon the approval of this Agreement and any other matters required to be approved by CBNK’s shareholders in order to permit consummation of the transactions contemplated by this Agreement (including any adjournment or postponement, the “CBNK Meeting”) and, subject to Section 5.08, shall take all lawful action to solicit such approval by such shareholders. CBNK agrees to use its best efforts to convene the CBNK Meeting within thirty-five (35) days after the initial mailing of the Joint Proxy Statement/Prospectus to shareholders of CBNK pursuant to Section 5.05, and in any event shall convene the CBNK Meeting within forty-five (45) days after such mailing. Except for matters that would ordinarily be considered at CBNK’s annual meeting of shareholders or with the prior approval of WFD, no other matters shall be submitted for the approval of CBNK shareholders at the CBNK Meeting. The CBNK Board shall at all times prior to and during the CBNK Meeting recommend adoption of this Agreement by the shareholders of CBNK (the “CBNK Recommendation”) and shall not withhold, withdraw, amend or modify such recommendation in any manner adverse to WFD or take any other action or make any other public statement inconsistent with such recommendation, except as and to the extent expressly permitted by Section 5.11 (a “Change in Recommendation”). Notwithstanding any Change in Recommendation, this Agreement shall be submitted to the shareholders of CBNK for their approval at the CBNK Meeting and nothing contained herein shall be deemed to relieve CBNK of such obligation (unless and until this agreement is terminated in accordance with Section 7.01).

**Section 5.05 Merger Registration Statement; Joint Proxy Statement/Prospectus.** For the purposes of (x) registering WFD Common Stock to be offered to holders of CBNK Common Stock in connection with the Merger with the SEC under the Securities Act and applicable state securities laws and (y) holding the WFD Meeting and the CBNK Meeting, WFD shall draft and prepare, and CBNK shall cooperate in the preparation of, a registration statement on Form S-4 for the registration of the shares to be issued by WFD in the Merger (the “Merger Registration Statement”), including the Joint Proxy Statement/Prospectus. WFD shall provide CBNK and its counsel with appropriate opportunity to review and comment on the Merger Registration Statement and Joint Proxy Statement/Prospectus prior to the time they are initially filed with the SEC. WFD shall file the Merger Registration Statement with the SEC. Each of WFD and CBNK shall use its reasonable best efforts to have the Merger Registration Statement declared effective under the Securities Act as promptly as practicable after such filing, and parties shall thereafter promptly mail the Joint Proxy Statement/Prospectus to their respective shareholders. WFD shall also use its reasonable best efforts to obtain any necessary state securities law or “Blue Sky” permits and approvals required to carry out the transactions contemplated by this Agreement, and CBNK shall furnish to WFD all information concerning CBNK and the holders of CBNK Common Stock as may be reasonably requested in connection with such action.
Section 5.06 Cooperation and Information Sharing. CBNK shall provide WFD with any information concerning CBNK that WFD may reasonably request in connection with the drafting and preparation of the Merger Registration Statement and Joint Proxy Statement/Prospectus, and each party shall notify the other promptly of the receipt of any comments of the SEC with respect to the Merger Registration Statement or Joint Proxy Statement/Prospectus and of any requests by the SEC for any amendment or supplement thereto or for additional information and shall provide to the other party promptly copies of all correspondence between it or any of its representatives and the SEC. WFD shall provide CBNK and its counsel with appropriate opportunity to review and comment on all amendments and supplements to the Merger Registration Statement and Proxy Statement/Prospectus and all responses to requests for additional information and replies to comments prior to their being filed with, or sent to, the SEC. Each of WFD and CBNK agrees to use all reasonable efforts, after consultation with the other party hereto, to respond promptly to all such comments of and requests by the SEC. Each of WFD and CBNK agrees to cause the Joint Proxy Statement/Prospectus and all required amendments and supplements thereto to be mailed to the holders of CBNK Common Stock entitled to vote at the CBNK Meeting and the holders of WFD Common Stock entitled to vote at the WFD Meeting, respectively, at the earliest practicable time.

Section 5.07 Supplements or Amendments. CBNK and WFD shall promptly notify the other party if at any time it becomes aware that the Joint Proxy Statement/Prospectus or the Merger Registration Statement contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. In such event, CBNK shall cooperate with WFD in the preparation of a supplement or amendment to such Proxy Statement/Prospectus which corrects such misstatement or omission, and WFD shall file an amended Merger Registration Statement with the SEC, and each of WFD and CBNK shall mail an amended Proxy Statement/Prospectus to their respective shareholders.

Section 5.08 Regulatory Approvals. Each of CBNK and WFD will cooperate with the other and use all reasonable efforts to promptly prepare all necessary documentation, to effect all necessary filings and to obtain all necessary permits, consents, approvals and authorizations of all third parties and Governmental Authorities necessary to consummate the transactions contemplated by this Agreement. CBNK and WFD will furnish each other and each other’s counsel with all information concerning themselves, their subsidiaries, directors, officers and shareholders and such other matters as may be necessary or advisable in connection with the Joint Proxy Statement/Prospectus and any application, petition or any other statement or application made by or on behalf of WFD or CBNK to any Governmental Authority in connection with the Merger and the Bank Merger and the other transactions contemplated by this Agreement. Each party hereto shall have the right to review and approve in advance all characterizations of the information relating to such party and any of its Subsidiaries that appear in any filing made in connection with the transactions contemplated by this Agreement with any Governmental Authority. In addition, WFD and CBNK shall each furnish to the other for review a copy of each such filing made in connection with the transactions contemplated by this Agreement with any Governmental Authority prior to its filing.

Section 5.09 Press Releases. CBNK and WFD shall consult with each other before issuing any press release with respect to this Agreement or the transactions contemplated hereby and shall not issue any such press release or make any such public statements without the prior consent of the other party, which shall not be unreasonably withheld or delayed; provided, however, that a party may, without the prior consent of the other party (but after such consultation, to the extent practicable in the circumstances), issue such press release or make such public statements as may upon the advice of outside counsel be required by law. CBNK and WFD shall cooperate to develop all public announcement materials and make appropriate management available at presentations related to this Agreement as reasonably requested by the other party.
Section 5.10 Access; Information.

(a) Each of WFD and CBNK agrees that upon reasonable notice and subject to applicable laws relating to the exchange of information, it shall afford the other party and the other party’s officers, employees, counsel, accountants and other authorized representatives such access during normal business hours throughout the period prior to the Effective Time to its books, records (including, without limitation, Tax Returns and work papers of independent registered public accountants), properties and personnel and to such other information relating to it as the other party may reasonably request and, during such period, shall furnish promptly to the other party all information concerning its business, properties and personnel as may reasonably request.

(b) All information furnished pursuant to Section 5.10(a) shall be subject to, and each party shall hold all such information in confidence in accordance with, the provisions of the Mutual Agreement of Confidentiality, dated as of December 7, 2015, by and between CBNK and WFD (the “Confidentiality Agreement”).

(c) No investigation by a party of the business and affairs of the other party shall affect or be deemed to modify or waive any representation, warranty, covenant or agreement in this Agreement, or the conditions to the obligations of such party to consummate the transactions contemplated by this Agreement.

Section 5.11 No Solicitation.

(a) From the date of this Agreement through the Effective Time, CBNK shall not, nor shall it authorize or permit any of its directors, officers or employees or any investment banker, financial advisor, attorney, accountant or other representative retained by it to, directly or indirectly through another Person, (i) solicit, initiate or encourage (including by way of furnishing information or assistance), or take any other action designed to facilitate or that is likely to result in, any inquiries or the making of any proposal that constitutes, or is reasonably likely to lead to, an Acquisition Proposal, (ii) enter into any agreement with respect to an Acquisition Proposal, (iii) participate in any discussions or negotiations regarding any Acquisition Proposal or furnish, or otherwise afford access, to any Person (other than WFD) any information or data with respect to CBNK or any of the CBNK Subsidiaries or otherwise relating to an Acquisition Proposal, or (iv) make or authorize any statement or recommendation in support of any Acquisition Proposal. Notwithstanding the foregoing sentence, CBNK may take any of the actions described in clause (iii) of the foregoing sentence only if, (A) CBNK has received a bona fide unsolicited written Acquisition Proposal prior to the CBNK Meeting that did not result from a breach of this Section 5.11, (B) the CBNK Board of Directors determines in good faith, after consultation with and having considered the advice of its outside legal counsel and its financial advisor, that such Acquisition Proposal constitutes or is reasonably likely to lead to a Superior Proposal, (C) CBNK has provided WFD with at least one (1) Business Day’s prior notice of such determination (the “Notice of Superior Proposal”), and (D) prior to furnishing or affording access to any information or data with respect to CBNK or otherwise relating to an Acquisition Proposal, CBNK receives from such Person a confidentiality agreement with terms no less favorable to CBNK than those contained in the Confidentiality Agreement between WFD and CBNK. CBNK shall promptly provide to WFD any non-public information regarding CBNK provided to any other Person that was not previously provided to WFD, such additional information to be provided no later than the date of provision of such information to such other party.

(b) Notwithstanding Section 5.04, prior to the date of the CBNK Meeting, the CBNK Board may approve or recommend to the stockholders of CBNK a Superior Proposal and withdraw, change, qualify or modify the CBNK Recommendation in connection therewith (a “Change in Recommendation”) after the third (3rd) Business Day following WFD’s receipt of the Notice of Superior Proposal advising WFD that the CBNK Board has decided that a bona fide unsolicited written Acquisition Proposal that it received (that did not result from a breach of this Section 5.11) constitutes a Superior Proposal (it being understood that CBNK shall be required to deliver a new Notice of Superior Proposal in respect of any revised Superior Proposal from such third party or its affiliates that CBNK proposes to accept and the subsequent notice period (which shall not shorten such original three (3) Business Day period) shall be two (2) Business Days) if, but only if, (a) the CBNK Board has reasonably determined in good faith, after consultation with and having considered the advice of outside legal counsel and its financial advisor, that the failure to take such actions would be reasonably likely to violate its fiduciary duties to CBNK’s stockholders under applicable law, and (b) at the end of such three (3) Business Day period or two (2) Business Day period (as the case may be), after taking into account any such adjusted, modified or amended terms as may have been committed to in writing by WFD since its receipt of such Notice of Superior Proposal (provided, however, that WFD shall not have any obligation to propose any adjustments, modifications or amendments to the terms and conditions of this Agreement), the CBNK Board has again in good faith made the determination (i) in clause (a) of this Section 5.11, and (ii) that such Acquisition Proposal constitutes a Superior Proposal. Notwithstanding the foregoing, the withdrawal, changing, qualifying or modifying of the CBNK Recommendation or the making of a Change in Recommendation by the CBNK Board shall not change the approval of the CBNK Board for purposes of causing any applicable “moratorium,” “control share,” “fair price,” “takeover,” “interested stockholder” or similar law to be inapplicable to this Agreement and the CBNK Voting Agreements and the transactions contemplated hereby and thereby, including the Merger.
(c) CBNK shall immediately cease and cause to be terminated any existing discussions or negotiations with any Persons (other than WFD) conducted heretofore with respect to any of the foregoing, and shall use reasonable best efforts to cause all Persons other than WFD who have been furnished confidential information regarding CBNK in connection with the solicitation of or discussions regarding an Acquisition Proposal within the twelve (12) months prior to the date hereof promptly to return or destroy such information. CBNK agrees not to release any third party from the confidentiality and standstill provisions of any agreement to which CBNK is or may become a party, and shall immediately take all steps necessary to terminate any approval that may have been heretofore given under any such provisions authorizing any Person (other than WFD) to make an Acquisition Proposal.

CBNK shall ensure that the directors, officers, employees, agents and representatives (including any investment bankers, financial advisors, attorneys, accountants or other retained representatives) of CBNK are aware of the restrictions described in this Section 5.11 as reasonably necessary to avoid violations thereof. It is understood that any violation of the restrictions set forth in this Section 5.11 by any director, officer, employee, agent or representative (including any investment banker, financial advisor, attorney, accountant or other retained representative) of CBNK, at the direction or with the consent of CBNK, shall be deemed to be a breach of this Section 5.11 by CBNK.

Section 5.12 Indemnification.

(a) From and after the Effective Time, WFD (the “Indemnifying Party”) shall indemnify and hold harmless each present and former director and officer of CBNK and each other Person entitled to indemnification under the Bylaws of WFD as in effect on the date hereof, as applicable, determined as of the Effective Time (the “Indemnified Parties”) against any costs or expenses (including reasonable attorneys’ fees and expenses), judgments, fines, losses, claims, damages or liabilities incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of matters existing or occurring at or prior to the Effective Time, whether asserted or claimed prior to, at or after the Effective Time, arising in whole or in part out of or pertaining to the fact that he or she was a director or officer of CBNK or is or was serving at the request of CBNK as a director, officer, employee or other agent of any other organization or in any capacity with respect to any employee benefit plan of CBNK, including without limitation matters related to the negotiation, execution and performance of any Agreement or any of the Transactions contemplated hereby, to the fullest extent which such Indemnified Parties would be entitled under the Amended and Restated Bylaws of CBNK as in effect on the date hereof (subject to change as required by law). WFD’s obligations under this Section 5.12(a) shall continue in full force and effect for a period of six years from the Effective Time; provided, however, that all rights to indemnification in respect of any claim asserted or made within such period shall continue until the final disposition of such claim. In addition, WFD shall advance expenses to the Indemnified Parties to the fullest extent which such Indemnified Parties would be entitled under the Amended and Restated Bylaws of CBNK as in effect on the date hereof without regard to director approval of such advancement of expenses.

(b) Any Indemnified Party wishing to claim indemnification under this Section 5.12, upon learning of any such claim, action, suit, proceeding or investigation, shall promptly notify the Indemnifying Party, but the failure to so notify shall not relieve the Indemnifying Party of any liability it may have to such Indemnified Party except to the extent that such failure does actually prejudice the Indemnifying Party. In the event of any such claim, action, suit, proceeding or investigation (whether arising before or after the Effective Time), (i) the Indemnifying Party shall have the right to assume the defense thereof and the Indemnifying Party shall not be liable to such Indemnified Parties for any legal expenses of other counsel or any other expenses subsequently incurred by such Indemnified Parties in connection with the defense thereof, except that if the Indemnifying Party elects not to assume such defense or counsel for the Indemnified Parties advises that there are issues which raise conflicts of interest between the Indemnifying Party and the Indemnified Parties, the Indemnified Parties may retain counsel which is reasonably satisfactory to the Indemnifying Party, and the Indemnifying Party shall pay, promptly as statements therefor are received, the reasonable fees and expenses of such counsel for the Indemnified Parties (which may not exceed one firm in any jurisdiction unless counsel for the Indemnified Parties advises that there are issues that raise conflicts of interest between the Indemnified Parties), (ii) the Indemnified Parties will cooperate in the defense of any such matter, (iii) the Indemnifying Party shall not be liable for any settlement effected without its prior written consent and (iv) the Indemnifying Party shall have no obligation hereunder in the event that indemnification of an Indemnified Party in the manner contemplated hereby is prohibited by applicable laws and regulations or by an applicable federal or state banking agency or a court of competent jurisdiction.
Prior to the Effective Time, WFD shall use its reasonable best efforts to cause the persons serving as directors and officers of CBNK immediately prior to the Effective Time to be covered by the directors’ and officers’ liability insurance policy maintained by CBNK (provided that WFD may substitute therefor policies which are not materially less advantageous than such policy or single premium tail coverage with policy limits equal to CBNK’s existing coverage limits) for a six-year period following the Effective Time with respect to acts or omissions occurring prior to the Effective Time which were committed by such directors and officers in their capacities as such, provided that in no event shall WFD be required to expend in any one year more than an amount equal to 200% of the current annual amount expended by CBNK to maintain such insurance (the “Insurance Amount”), and further provided that if WFD is unable to maintain or obtain the insurance called for by this Section 5.12(c) as a result of the preceding provision, WFD shall use its reasonable best efforts to obtain as much comparable insurance as is available for the Insurance Amount.

If WFD or any of its successors or assigns shall consolidate with or merge into any other entity and shall not be the continuing or surviving entity of such consolidation or merger or shall transfer all or substantially all of its assets to any other entity, then and in each case, proper provision shall be made so that the successors and assigns of WFD shall assume the obligations set forth in this Section 5.12.

Section 5.13 Employees; Benefit Plans.

Following the Closing Date, WFD may choose to maintain any or all of the CBNK Benefit Plans in its sole discretion and CBNK shall cooperate with WFD in order to effect any plan terminations to be made as of the Effective Time. However, for any CBNK Benefit Plan terminated for which there is a comparable WFD Benefit Plan of general applicability (other than the defined benefit pension plan maintained by WFD), WFD shall take all reasonable action so that employees of CBNK shall be entitled to participate in such WFD Benefit Plan to the same extent as similarly-situated employees of WFD (it being understood that inclusion of the employees of CBNK in the WFD Benefit Plans may occur at different times with respect to different plans). WFD shall cause each WFD Benefit Plan in which employees of CBNK are eligible to participate to take into account for purposes of eligibility and vesting under the WFD Benefit Plans (but not for purposes of benefit accrual) the service of such employees with CBNK and its Subsidiaries to the same extent as such service was credited for such purpose by CBNK (other than for the defined benefit pension plan maintained by WFD); provided, however, that such service shall not be recognized to the extent that such recognition would result in a duplication of benefits. Nothing herein shall limit the ability of WFD to amend or terminate any of the CBNK Benefit Plans or WFD Benefit Plans in accordance with their terms at any time; provided, however, that WFD shall continue to maintain the CBNK Benefit Plans (other than stock-based or incentive plans and the defined benefit pension plan) for which there is a comparable WFD Benefit Plan until the CBNK Employees are permitted to participate in the WFD Benefit Plans, unless such WFD Benefit Plan has been frozen or terminated with respect to similarly-situated employees of WFD or any Subsidiary of WFD. Notwithstanding anything in the Agreement to the contrary, the CBNK 2007 Equity Incentive Plan will be maintained to the extent there are outstanding Converted Options.
(b) WFD shall assume and honor, under the vacation policies of CBNK, as disclosed on CBNK Disclosure Schedule 3.18, the accrued but unused vacation time of employees of the Surviving Corporation who were employees of CBNK prior to the Effective Time. Prior to the Effective Time, CBNK shall take all actions needed to revise the terms of its existing severance pay plan as set forth on CBNK Disclosure Schedule 5.13(b).

(c) If employees of CBNK become eligible to participate in a medical, dental or health plan of WFD upon termination of such plan of CBNK, WFD shall make all commercially reasonable efforts to cause each such plan to (i) waive any preexisting condition limitations to the extent such conditions are covered under the applicable medical, health or dental plans of WFD, (ii) honor under such plans any deductible, co-payment and out-of-pocket expenses incurred by the employees and their beneficiaries during the portion of the calendar year prior to such participation and (iii) waive any waiting period limitation or evidence of insurability requirement which would otherwise be applicable to such employee on or after the Effective Time, in each case to the extent such employee had satisfied any similar limitation or requirement under an analogous CBNK Benefit Plan prior to the Effective Time.

(d) Concurrently with the execution of this Agreement, CBNK shall obtain from each of the individuals named in CBNK Disclosure Schedule 5.13(d) an agreement (a “Settlement Agreement”) to accept in full settlement of his or her rights under the specified programs the amounts and benefits determined under his or her Settlement Agreement (the aggregate amounts of such payments to be specified in CBNK Disclosure Schedule 5.13(d)) and pay such amounts to such individuals who are employed at the Effective Time pursuant to the terms of the Settlement Agreement. As to, and only as to, each individual who enters into a Settlement Agreement, WFD acknowledges and agrees that (i) the Merger constitutes a “change of control” or “change in control” for all purposes pursuant to such agreements, and (ii) CBNK will pay out all cash amounts under such agreements at the Closing Date. Any officer or employee of CBNK who is a party to a Settlement Agreement shall be entitled to receive the benefits payable or to be otherwise provided pursuant to the terms of such Settlement Agreement, and WFD agrees to provide the non-cash benefits, if any, pursuant to the terms of the Settlement Agreement.

(e) Concurrently with the execution of this Agreement, WFD and/or Westfield Bank is entering into employment agreements with William J. Wagner and Darlene Libiszewski in the forms attached hereto as Exhibits C-1 and C-2, respectively, to be effective as of the Effective Time, and settlement agreements with William J. Wagner, Maria J.C. Aigner, Russell J. Omer, Guida R. Sajdak and Cidalia Inacio in the forms attached hereto as Exhibits D-1 to D-5 hereto, respectively, to be effective as of the Effective Time.

(f) Subject to the occurrence of the Effective Time, the CBNK tax-qualified employee stock ownership plan (the “ESOP”) shall be terminated immediately prior to and effective as of the Effective Time (all shares held by the ESOP shall be converted into the right to receive the Merger Consideration), a portion of the unallocated shares held by the ESOP will be either (i) sold and the proceeds of such sale applied to the repayment of all outstanding ESOP indebtedness, or (ii) a sufficient number of unallocated shares of CBNK Common Stock will be delivered to CBNK in order to repay all outstanding ESOP indebtedness, and the balance of the unallocated shares and any other assets remaining unallocated shall be allocated and distributed to ESOP participants (subject to the receipt of a favorable determination letter from the IRS), as provided for in the ESOP unless otherwise required by applicable law. Prior to the Effective Time, CBNK, and following the Effective Time, WFD shall use their respective best efforts in good faith to obtain such favorable determination letter (including, but not limited to, making such changes to the ESOP and the proposed allocations as may be requested by the IRS as a condition to its issuance of a favorable determination letter). CBNK and following the Effective Time, WFD, will adopt such amendments to the ESOP as may be reasonably required by the IRS as a condition to granting such favorable determination letter on termination. Neither CBNK, nor following the Effective Time, WFD shall make any distribution from the ESOP except as may be required by applicable law until receipt of such favorable determination letter. In the case of a conflict between the terms of this Section 5.13(f) and the terms of the ESOP, the terms of the ESOP shall control however, in the event of any such conflict, CBNK before the Merger, and WFD after the Merger, shall use their best efforts to cause the ESOP to be amended to conform to the requirements of this Section 5.13(f).

(g) WFD will use its best efforts to cause each employee of CBNK that continues employment with WFD at the Closing Date to be eligible to participate in WFD’s 401(k) Plan and employee stock ownership plan on the first day of the calendar month immediately following the Closing Date; provided, however, that participation in the WFD 401(k) Plan and employee stock ownership plan by each such employee of CBNK that continues employment with WFD at the Closing Date shall be subject to applicable length of service requirements for eligibility for participation in such plans, which length of service of such employees that continue employment with WFD shall take into account for purposes of eligibility to participate in such plans the service of such employees with CBNK and its Subsidiaries to the same extent as such service was credited for such purpose by CBNK.
WFD shall provide a retention pool in an amount up to $100,000 for the benefit of certain employees of CBNK to be designated by WFD at its sole discretion; provided that, any such designations shall be made in consultation with CBNK. Such designated employees will enter into retention agreements to be agreed upon by WFD and CBNK.

Section 5.14 Notification of Certain Changes. WFD and CBNK shall promptly advise the other party of any change or event having, or which could be reasonably expected to have, a Material Adverse Effect on it or which it believes would, or which could reasonably be expected to, cause or constitute a material breach of any of its representations, warranties or covenants contained herein. From time to time prior to the Effective Time (and on the date prior to the Closing Date), each party will supplement or amend its Disclosure Schedules delivered in connection with the execution of this Agreement to reflect any matter which, if existing, occurring or known at the date of this Agreement, would have been required to be set forth or described in such Disclosure Schedules or which is necessary to correct any information in such Disclosure Schedules which has been rendered inaccurate thereby. No supplement or amendment to such Disclosure Schedules shall have any effect for the purpose of determining the accuracy of the representations and warranties of the parties contained in Article III and Article IV in order to determine the fulfillment of the conditions set forth in Sections 6.02(a) or 6.03(a) hereof, as the case may be, or the compliance by CBNK or WFD, as the case may be, with the respective covenants and agreements of such parties contained herein.

Section 5.15 Current Information. During the period from the date of this Agreement to the Effective Time, each party will cause one or more of its designated representatives to confer on a regular and frequent basis with representatives of the other party and to report the general status of its ongoing operations. Without limiting the foregoing, each party agrees to provide the other party (i) a copy of each report filed by it with a Governmental Authority within one (1) Business Day following the filing thereof and (ii) monthly updates of the information required to be set forth in CBNK Disclosure Schedule 3.14 or WFD Disclosure Schedule 4.14, as the case may be.

Section 5.16 Board Packages. Each party shall distribute a copy of its Board package, including the agenda and any draft minutes, to the other party at the same time and in the same manner in which it distributes a copy of such packages to its Board; provided, however, that neither party shall be required to copy the other party on any documents that disclose confidential discussions of this Agreement or the transactions contemplated hereby or any third party proposal to acquire control of such party or any other matter that such party’s Board has been advised of by counsel that such distribution to the other party may violate a confidentiality obligation or fiduciary duty or any law or regulation.

Section 5.17 Transition; Informational Systems Conversion. From and after the date hereof, WFD and CBNK shall use their reasonable best efforts to facilitate the integration of CBNK with the business of WFD following consummation of the Transactions, and shall meet on a regular basis to discuss and plan for the conversion of CBNK’s data processing and related electronic informational systems (the “Informational Systems Conversion”) to those used by WFD and its Subsidiaries, which planning shall include, but not be limited to: (a) discussion of CBNK’s third-party service provider arrangements; (b) non-renewal of personal property leases and software licenses used by CBNK in connection with its systems operations; (c) retention of outside consultants and additional employees to assist with the conversion; (d) outsourcing, as appropriate, of proprietary or self-provided system services; and (e) any other actions necessary and appropriate to facilitate the conversion, as soon as practicable following the Effective Time. CBNK shall take all action which is necessary and appropriate to facilitate the Informational Systems Conversion; provided, however, that WFD shall indemnify CBNK for any reasonable out-of-pocket fees, expenses or charges that CBNK may incur as a result of taking, at the request of WFD, any action to facilitate the Informational Systems Conversion. If this Agreement is terminated by WFD and/or CBNK in accordance with Section 7.01(a), 7.01(b), 7.01(c) or 7.01(f), or by CBNK only in accordance with Section 7.01(d), 7.01(e) or 7.01(g)(ii), WFD shall indemnify CBNK for any reasonable fees, expenses or charges related to reversing the Informational Systems Conversion.

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Section 5.18  Board of Directors. Effective immediately following the Effective Time, WFD shall take, and shall cause Westfield Bank to take, all action necessary to expand the size of the Board of Directors of WFD and Westfield Bank by five seats and to (i) appoint four members of CBNK’s Board of Directors, selected by WFD after consultation with CBNK, to WFD’s and Westfield Bank’s Board of Directors, and (ii) appoint William J. Wagner to WFD’s and Westfield Bank’s Board of Directors, with the title of Vice Chairman, each to serve on WFD’s and Westfield Bank’s Board of Directors for a term expiring at the annual meeting of shareholders at which the term of office of the class to which such members have been appointed expires (which terms are set forth in WFD Disclosure Schedule 5.18); provide further, William J. Wagner shall be appointed to serve on WFD’s and Westfield Bank’s Board of Directors as a member of the class whose term expires at the 2017 annual meeting of shareholders, at which meeting William J. Wagner shall be included as a nominee for election to WFD’s and Westfield Bank’s Board of Directors to serve for a term of three years.

Section 5.19  Exemption from Liability Under Section 16(b). Prior to the Effective Time, WFD shall take all steps as may be required to cause any acquisitions of WFD Common Stock resulting from the transactions contemplated by this Agreement by each director or officer of CBNK who becomes subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to CB to be exempt under Rule 16b-3 promulgated under the Exchange Act.

ARTICLE VI
CONDITIONS TO CONSUMMATION OF THE MERGER

Section 6.01  Conditions to Obligations of the Parties to Effect the Merger. The respective obligations of CBNK and WFD to consummate the Merger are subject to the fulfillment or, to the extent permitted by applicable law, written waiver by the parties hereto prior to the Closing Date of each of the following conditions:

(a)  Regulatory Approvals. All consents and approvals of a Governmental Authority required to consummate the transactions contemplated by this Agreement (“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.

(b)  Merger Registration Statement Effective. The Merger Registration Statement shall have been declared effective by the SEC and no stop order with respect thereto shall be in effect.

(c)  NASDAQ Listing. The shares of WFD Common Stock issuable pursuant to this Agreement shall have been approved for listing on NASDAQ, subject to official notice of issuance.

(d)  No Injunctions or Restraints; Illegality. No judgment, order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of any of the transactions contemplated by this Agreement shall be in effect. No statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits or makes illegal the consummation of any of such transactions.

(e)  Tax Opinions. WFD shall have received a letter setting forth the written opinion of Hogan Lovells US LLP, in form and substance reasonably satisfactory to WFD, dated as of the Closing Date, and CBNK shall have received a letter setting forth the written opinion of Luse Gorman, PC, in form and substance reasonably satisfactory to CBNK, dated as of the Closing Date, in each case substantially to the effect that, on the basis of the facts, representations and assumptions set forth in such letter, the Merger will constitute a tax free reorganization described in Section 368(a) of the Code.

Section 6.02  Conditions to Obligations of WFD. The obligations of WFD to consummate the Merger also are subject to the fulfillment or written waiver by WFD prior to the Closing Date of each of the following conditions:
(a) **Representations and Warranties.** The representations and warranties of CBNK set forth in this Agreement shall be true and correct in all material respects as of the date of this Agreement and (except to the extent such representations and warranties speak as of an earlier date) as of the Closing Date as though made on and as of the Closing Date; provided, however, that for purposes of this paragraph, such representations and warranties shall be deemed to be true and correct in all material respects unless the failure or failures of such representations and warranties to be so true and correct, either individually or in the aggregate, will have or are reasonably likely to have a Material Adverse Effect on CBNK. WFD shall have received a certificate, dated the Closing Date, signed on behalf of CBNK by the Chief Executive Officer of CBNK to such effect.

(b) **Performance of Obligations of CBNK.** CBNK shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date, and WFD shall have received a certificate, dated the Closing Date, signed on behalf of CBNK by the Chief Executive Officer of CBNK to such effect.

(c) **No Adverse Regulatory Conditions.** No regulatory approval referred to in Section 6.01(a) hereof shall contain any condition, restriction or requirement which the Board of Directors of WFD reasonably determines in good faith would, individually or in the aggregate, materially reduce the benefits of the Merger to such a degree that WFD would not have entered into this Agreement had such condition, restriction or requirement been known at the date hereof.

(d) **Voting Agreements.** The Voting Agreements shall have been executed and delivered by each director and executive officer of CBNK concurrently with CBNK’s execution and delivery of this Agreement.

(e) **Shareholder Approval.** This Agreement shall have been duly approved by the requisite vote of the holders of outstanding shares of CBNK Common Stock.

(f) **Other Actions.** CBNK shall have furnished WFD with such certificates of its respective officers or others and such other documents to evidence fulfillment of the conditions set forth in Sections 6.01 and 6.02 as WFD may reasonably request.

Section 6.03 **Conditions to Obligations of CBNK.** The obligations of CBNK to consummate the Merger also are subject to the fulfillment or written waiver by CBNK prior to the Closing Date of each of the following conditions:

(a) **Representations and Warranties.** The representations and warranties of WFD set forth in this Agreement shall be true and correct in all material respects as of the date of this Agreement and (except to the extent such representations and warranties speak as of an earlier date) as of the Closing Date as though made on and as of the Closing Date; provided, however, that for purposes of this paragraph, such representations and warranties shall be deemed to be true and correct in all material respects unless the failure or failures of such representations and warranties to be so true and correct, either individually or in the aggregate, will have or are reasonably likely to have a Material Adverse Effect on WFD. CBNK shall have received a certificate, dated the Closing Date, signed on behalf of WFD by the Chief Executive Officer and the Chief Financial Officer of WFD to such effect.

(b) **Performance of Obligations of WFD.** WFD shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date, and CBNK shall have received a certificate, dated the Closing Date, signed on behalf of WFD by the Chief Executive Officer and the Chief Financial Officer of WFD to such effect.

(c) **No Adverse Regulatory Conditions.** No regulatory approval referred to in Section 6.01(a) hereof shall contain any condition, restriction or requirement which the Board of Directors of CBNK reasonably determines in good faith would, individually or in the aggregate, materially reduce the benefits of the Merger to such a degree that CBNK would not have entered into this Agreement had such condition, restriction or requirement been known at the date hereof.
Shareholder Approval. This Agreement shall have been duly approved by the requisite vote of the holders of outstanding shares of WFD Common Stock.

Other Actions. WFD shall have furnished CBNK with such certificates of its respective officers or others and such other documents to evidence fulfillment of the conditions set forth in Sections 6.01 and 6.03 as CBNK may reasonably request.

Section 6.04 Frustration of Closing Conditions. Neither WFD nor CBNK may rely on the failure of any condition set forth in Section 6.01, 6.02 or 6.03, as the case may be, to be satisfied if such failure was caused by such party’s failure to use reasonable best efforts to consummate any of the transactions contemplated by this Agreement, as required by and subject to Section 5.03.

ARTICLE VII
TERMINATION

Section 7.01 Termination. This Agreement may be terminated, and the Transactions may be abandoned:

(a) Mutual Consent. At any time prior to the Effective Time, by the mutual consent of WFD and CBNK if the Board of Directors of each so determines by vote of a majority of the members of its entire Board.

(b) No Regulatory Approval. By either WFD or CBNK, if its Board of Directors so determines by a vote of a majority of the members of its entire Board, in the event the approval of any Governmental Authority required for consummation of the transactions contemplated by this Agreement shall have been denied by final, nonappealable action by such Governmental Authority or an application therefor shall have been permanently withdrawn at the request of a Governmental Authority.

(c) No Shareholder Approval. By either WFD or CBNK (provided that the terminating party is not in material breach of any of its obligations under Section 5.04), if the approval of the shareholders of either party required for the consummation of the transactions contemplated by this Agreement shall not have been obtained by reason of the failure to obtain the required vote at a duly held meeting of such shareholders or at any adjournment or postponement thereof.

(d) Breach of Representations and Warranties. By either WFD or CBNK (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein) if there shall have been a material breach of any of the representations or warranties set forth in this Agreement by the other party, which breach is not cured within thirty (30) days following written notice to the party committing such breach, or which breach, by its nature, cannot be cured prior to the Closing; provided, however, that neither party shall have the right to terminate this Agreement pursuant to this Section 7.01(d) unless the breach of representation or warranty, together with all other such breaches, would entitle the party receiving such representation or warranty not to consummate the Merger under Section 6.02(a) (in the case of a breach of a representation or warranty by CBNK) or Section 6.03(a) (in the case of a breach of a representation or warranty by WFD).

(e) Breach of Covenants. By either WFD or CBNK (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein) if there shall have been a material breach of any of the covenants or agreements set forth in this Agreement on the part of the other party, which breach shall not have been cured within thirty (30) days following receipt by the breaching party of written notice of such breach from the other party hereto, or which breach, by its nature, cannot be cured prior to the Closing, provided, however, that neither party shall have the right to terminate this Agreement pursuant to this Section 7.01(e) unless the breach of covenant or agreement, together with all other such breaches, would entitle the party receiving the benefit of such covenant or agreement not to consummate the Merger under Section 6.02(b) (in the case of a breach of a covenant or agreement by CBNK) or Section 6.03(b) (in the case of a breach of a representation or warranty by WFD).
Delay. By either WFD or CBNK if the Merger shall not have been consummated on or before December 31, 2016 (the “Termination Date”), unless the failure of the Closing to occur by such date shall be due to a material breach of this Agreement by the party seeking to terminate this Agreement.

(g) Superior Proposal. By CBNK if it has received a Superior Proposal and the CBNK Board of Directors has determined to accept such Superior Proposal in accordance with Section 5.11.

(h) Failure to Recommend; Third-Party Acquisition Transaction; Etc.

(i) By WFD, if (A) CBNK shall have materially breached its obligations under Section 5.11, (B) the CBNK Board shall have failed to make its recommendation referred to in Section 5.04(b), withdrawn such recommendation or modified or changed such recommendation in a manner adverse in any respect to the interests of WFD, (C) the CBNK Board shall have recommended, proposed, or publicly announced its intention to recommend or propose, to engage in an Acquisition Transaction with any Person other than WFD or a Subsidiary of WFD or (D) CBNK shall have materially breached its obligations under Section 5.04(b) by failing to call, give notice of, convene and hold the CBNK Meeting in accordance with Section 5.04(b), and, in each case, an Acquisition Proposal shall have been publicly announced or otherwise communicated to CBNK.

(ii) By WFD, if any of (A)-(D) of 7.01(h)(i) shall have occurred, but an Acquisition Proposal shall not have been publically announced or otherwise communicated to CBNK, in which case WFD shall be entitled to receive, in lieu of the fee provided under Section 7.02(a), an expense reimbursement fee for reasonable documented fees up to $750,000 to be paid by CBNK within three (3) Business Days after written demand for payment is made by WFD, following such occurrence. In the event that WFD shall later be entitled to receive the termination fee under Section 7.02, any expense reimbursement fee paid to WFD under this Section 7.01(h)(ii) shall be subtracted from the amount of the termination fee to be paid to WFD under Section 7.01.

(iii) By CBNK, if WFD shall have materially breached its obligations under Section 5.04(a) by failing to call, give notice of, convene and hold the WFD Meeting or by failing to make its recommendation or withdrawing, modifying or changing such recommendation in any manner adverse in any respect to the interests of CBNK in accordance with Section 5.04(a).

(i) Decrease in WFD Stock Price. By CBNK, if the CBNK Board so determines by a vote of the majority of the members of the entire CBNK Board, at any time during the five-day period commencing with the Determination Date (as defined below), if both of the following conditions are satisfied:

(A) The quotient obtained by dividing the Average Closing Price by the Starting Price (as defined below) (the “WFD Ratio”) shall be less than 0.80; and

(B) (x) the WFD Ratio shall be less than (y) the quotient obtained by dividing the Final Index Price by the Index Price on the Starting Date (each as defined below) and subtracting 0.20 from the quotient in this clause (B)(y) (such number in this clause (B)(y) that results from dividing the Final Index Price by the Index Price on the Starting Date being referred to herein as the “Index Ratio”);

subject, however, to the following three sentences. If CBNK elects to exercise its termination right pursuant to this Section 7.01(i), it shall give written notice to WFD. During the five-day period commencing with its receipt of such notice, WFD shall have the option to increase the consideration to be received by the holders of CBNK Common Stock hereunder, by adjusting the Exchange Ratio (calculated to the nearest one-thousandth) to equal the lesser of (x) a number (rounded to the nearest one-thousandth) obtained by dividing (A) the product of the Starting Price, 0.80 and the Exchange Ratio (as then in effect) by (B) the Average Closing Price and (y) a number (rounded to the nearest one-thousandth) obtained by dividing (A) the product of the Index Ratio and the Exchange Ratio (as then in effect) by (B) the WFD Ratio. If WFD so elects within such five-day period, it shall give prompt written notice to CBNK of such election and the revised Exchange Ratio, whereupon no termination shall have occurred pursuant to this Section 7.01(i) and this Agreement shall remain in effect in accordance with its terms (except as the Exchange Ratio shall have been so modified.)
For purposes of this Section 7.01(i) the following terms shall have the meanings indicated:

“Average Closing Price” shall mean the average of the daily closing prices for the shares of WFD Common Stock for the 20 consecutive full trading days on which such shares are actually traded on NASDAQ (as reported by The Wall Street Journal or, if not reported thereby, any other authoritative source) ending at the close of trading on the Determination Date.

“Determination Date” shall mean the 10th day prior to the Closing Date, provided that if shares of the WFD Common Stock are not actually traded on NASDAQ on such day, the Determination Date shall be the immediately preceding day to the 10th day prior to the Closing Date on which shares of WFD Common Stock actually trade on NASDAQ.

“Final Index Price” shall mean the average of the Index Prices for the 20 consecutive full trading days ending on the trading day prior to the Determination Date.

“Index Group” shall mean the NASDAQ Bank Index.

“Index Price” shall mean the closing price on such date of the NASDAQ Bank Index.

“Starting Date” shall mean the last trading day immediately preceding the date of the first public announcement of entry into this Agreement.

“Starting Price” shall mean the closing price of a share of WFD Common Stock on NASDAQ (as reported in The Wall Street Journal, or if not reported therein, in another authoritative source) on the Starting Date.

Section 7.02 Termination Fee. In recognition of the efforts, expenses and other opportunities foregone by WFD while structuring and pursuing the Merger, the parties hereto agree that CBNK shall pay to WFD a termination fee of $4,000,000 within three (3) Business Days after written demand for payment is made by WFD, following the occurrence of any of the events set forth below:

(a) WFD terminates this Agreement pursuant to Section 7.01(h)(i) or CBNK terminates this Agreement pursuant to 7.01(g); or

(b) CBNK enters into a definitive agreement relating to an Acquisition Proposal or the consummation of an Acquisition Proposal involving CBNK within twelve (12) months following the termination of this Agreement by WFD pursuant to Section 7.01(d) or Section 7.01(e) because of a willful breach by CBNK after an Acquisition Proposal has been publicly announced or otherwise made known CBNK.

Section 7.03 Effect of Termination and Abandonment. In the event of termination of this Agreement and the abandonment of the Merger pursuant to this Article VII, no party to this Agreement shall have any liability or further obligation to any other party hereunder except (i) as set forth in Section 7.01 and Section 8.01 and (ii) that termination will not relieve a breaching party from liability for money damages for any breach of any covenant, agreement, representation or warranty of this Agreement giving rise to such termination. Nothing in Section 7.02 or this Section 7.03 shall be deemed to preclude either party from seeking specific performance in equity to enforce the terms of this Agreement.

ARTICLE VIII
MISCELLANEOUS

Section 8.01 Survival. No representations, warranties, agreements and covenants contained in this Agreement shall survive the Effective Time (other than agreements or covenants contained herein that by their express terms are to be performed after the Effective Time) or the termination of this Agreement if this Agreement is terminated prior to the Effective Time (other than Sections 5.10(b), 5.18, 7.02 and this Article VIII, which shall survive any such termination). Notwithstanding anything in the foregoing to the contrary, no representations, warranties, agreements and covenants contained in this Agreement shall be deemed to be terminated or extinguished so as to deprive a party hereto or any of its affiliates of any defense at law or in equity which otherwise would be available against the claims of any Person, including without limitation any shareholder or former shareholder.
Section 8.02 Waiver; Amendment. Prior to the Effective Time, any provision of this Agreement may be (a) waived by the party benefited by the provision or (b) amended or modified at any time, by an agreement in writing among the parties hereto executed in the same manner as this Agreement, except that after the CBNK Meeting and the WFD Meeting no amendment shall be made which by law requires further approval by the shareholders of CBNK or WFD, respectively, without obtaining such approval.

Section 8.03 Counterparts. This Agreement may be executed in one or more counterparts (including by PDF or electronic signature), each of which shall be deemed to constitute an original.

Section 8.04 Governing Law. This Agreement shall be governed by, and interpreted in accordance with, the laws of the Commonwealth of Massachusetts, without regard for conflict of law provisions.

Section 8.05 Expenses. Each party hereto will bear all expenses incurred by it in connection with this Agreement and the Transactions, including fees and expenses of its own financial consultants, accountants and counsel, except that printing expenses for the Joint Proxy Statement/Prospectus shall be shared equally between WFD and CBNK; provided, however, that nothing contained herein shall limit either party’s rights to recover any damages arising out of the other party’s willful breach of any provision of this Agreement.

Section 8.06 Notices. All notices, requests and other communications hereunder to a party shall be in writing and shall be deemed given if personally delivered, mailed by registered or certified mail (return receipt requested) or sent by reputable courier service to such party at its address set forth below or such other address as such party may specify by notice to the parties hereto.

If to WFD:

Westfield Financial, Inc.
141 Elm Street
Westfield, MA 01086
Attention: James C. Hagan
President and Chief Executive Officer
Email: jhagan@westfieldbank.com
Section 8.07      Entire Understanding; No Third Party Beneficiaries. This Agreement, the Plan of Bank Merger, the Voting Agreements, and the Confidentiality Agreement represent the entire understanding of the parties hereto and thereto with reference to the transactions, and this Agreement, the Plan of Bank Merger, the Voting Agreements, and the Confidentiality Agreement supersede any and all other oral or written agreements heretofore made. Except for the Indemnified Parties’ right to enforce WFD’s obligation under Section 5.12, which are expressly intended to be for the irrevocable benefit of, and shall be enforceable by, each Indemnified Party and his or her heirs and representatives, nothing in this Agreement, expressed or implied, is intended to confer upon any Person, other than the parties hereto or their respective successors, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 8.08      Severability. In the event that any one or more provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement and the parties shall use their reasonable efforts to substitute a valid, legal and enforceable provision which, insofar as practical, implements the purposes and intents of this Agreement.

Section 8.09      Enforcement of the Agreement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

Section 8.10      Interpretation. When a reference is made in this Agreement to sections, exhibits or schedules, such reference shall be to a 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 are not part 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.”
Section 8.11 Assignment. No party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other party. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

ARTICLE IX
ADDITIONAL DEFINITIONS

Section 9.01 Additional Definitions. In addition to any other definitions contained in this Agreement, the following words, terms and phrases shall have the following meanings when used in this Agreement:

“Acquisition Proposal” means any proposal or offer with respect to any of the following (other than the transactions contemplated hereunder) involving WFD or CBNK: (a) any merger, consolidation, share exchange, business combination or other similar transactions; (b) any sale, lease, exchange, mortgage, pledge, transfer or other disposition of assets and/or liabilities that constitute a substantial portion of the net revenues, net income or assets of CBNK in a single transaction or series of transactions; (c) any tender offer or exchange offer for 20% or more of the outstanding shares of its capital stock or the filing of a registration statement under the Securities Act in connection therewith; or (d) any public announcement by any Person (which shall include any regulatory application or notice, whether in draft or final form) of a proposal, plan or intention to do any of the foregoing or any agreement to engage in any of the foregoing.

“Acquisition Transaction” means any of the following (other than the transactions contemplated hereunder): (a) a merger, consolidation, share exchange, business combination or any similar transaction, involving the relevant companies; (b) a sale, lease, exchange, mortgage, pledge, transfer or other disposition of assets and/or liabilities that constitute a substantial portion of the net revenues, net income or assets of the relevant companies in a single transaction or series of transactions; (c) a tender offer or exchange offer for 20% or more of the outstanding shares of the capital stock of the relevant companies or the filing of a registration statement under the Securities Act in connection therewith; or (d) an agreement or commitment by the relevant companies to take any action referenced above.

“Business Day” means Monday through Friday of each week, except a legal holiday recognized as such by the U.S. government or any day on which banking institutions in the Commonwealth of Massachusetts are authorized or obligated to close.

“CBNK Board” means the Board of Directors of CBNK.

“CBNK Disclosure Schedule” means the disclosure schedule delivered by CBNK to WFD on or prior to the date hereof setting forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express provision of this Agreement or as an exception to one or more of its representations and warranties in Article III or its covenants in Article V.

“CBNK Intellectual Property” means the Intellectual Property used in or held for use in the conduct of the business of CBNK.

“Certificate” means any certificate that immediately prior to the Effective Time represents shares of CBNK Common Stock.

“Derivative Transaction” means any swap transactions, option, warrant, forward purchase or sale transactions, futures transactions, cap transactions, floor transactions or collar transactions relating to one or more currencies, commodities, bonds, equity securities, loans, interest rates, catastrophe events, weather-related events, credit-related events or conditions or any indexes, or any other similar transactions (including any option with respect to any of these transactions) or combination of any of these transactions, including collateralized mortgage obligations or other similar instruments or any debt or equity instruments evidencing or embedding any such types of transactions, and any related credit support, collateral or other similar arrangements related to such transactions.
“Environmental Law” means any federal, state or local law, regulation, order, decree, permit, authorization, opinion or agency requirement relating to: (a) the protection or restoration of the environment, health, safety, or natural resources, (b) the handling, use, presence, disposal, release or threatened release of any Hazardous Substance or (c) wetlands, indoor air, pollution, contamination or any injury or threat of injury to persons or property in connection with any Hazardous Substance.


“Excluded Shares” shall consist of (i) shares held directly or indirectly by WFD (other than shares held in a fiduciary capacity or in satisfaction of a debt previously contracted) and (ii) shares of CBNK Common Stock that are held by CBNK as treasury shares immediately prior to the Effective Time.

“FDIC” means the Federal Deposit Insurance Corporation.

“FHLB” means the Federal Home Loan Bank of Boston, or any successor thereto.

“FRB” means the Board of Governors of the Federal Reserve System.

“GAAP” means accounting principles generally accepted in the United States of America.

“Governmental Authority” means any federal, state or local court, administrative agency or commission or other governmental authority or instrumentality.

“Hazardous Substance” includes but is not limited to any and all substances (whether solid, liquid or gas) defined, listed, or otherwise classified as pollutants, hazardous wastes, hazardous substances, hazardous materials, extremely hazardous wastes, or words of similar meaning or regulatory effect under any present or future Environmental Laws or that may have a negative impact on human health or the environment, including but not limited to petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives, mold, mycotoxins, microbial matter and airborne pathogens (naturally occurring or otherwise), but excluding substances of kinds and in amounts ordinarily and customarily used or stored in similar properties for the purposes of cleaning or other maintenance or operations.

“Intellectual Property” means (a) trademarks, service marks, trade names, Internet domain names, designs, logos, slogans, and general intangibles of like nature, together with all goodwill, registrations and applications related to the foregoing; (b) patents and industrial designs (including any continuations, divisionals, continuations-in-part, renewals, reissues, and applications for any of the foregoing); (c) copyrights (including any registrations and applications for any of the foregoing); (d) Software; and (e) technology, trade secrets and other confidential information, know-how, proprietary processes, formulae, algorithms, models, and methodologies.

“IRS” means the Internal Revenue Service.

“Joint Proxy Statement/Prospectus” means the joint proxy statement and prospectus, satisfying all applicable requirements of applicable state securities and banking laws, and of the Securities Act and the Exchange Act, and the rules and regulations thereunder, together with any amendments and supplements thereto, as prepared by WFD and CBNK and as delivered to holders of WFD Common Stock and CBNK Common Stock in connection with the solicitation of their approval of this Agreement.

“Knowledge” as used with respect to a Person (including references to such Person being aware of a particular matter) means those facts that are known by the senior officers and directors of such Person, and includes any facts, matters or circumstances set forth in any written notice from any Governmental Authority or any other written notice received by that Person.
“Lien” means any mortgage, pledge, lien, security interest, conditional and installment sale agreement, encumbrance, charge or other claim of third parties of any kind.

“Loan Property” means any property in which the applicable party (or a subsidiary of it) holds a security interest and, where required by the context, includes the owner or operator of such property, but only with respect to such property.

“MADOB” means the Commonwealth of Massachusetts Division of Banks.

“Material Adverse Effect” means with respect to WFD and Westfield Bank, taken as a whole, or CBNK and Chicopee Bank, taken as a whole, any effect that is material and adverse to its financial position, results of operations or business or that would materially impair its ability to perform its obligations under this Agreement or otherwise materially impairs its ability to consummate the transactions contemplated by this Agreement; provided, however, that Material Adverse Effect shall not be deemed to include the impact of (i) changes in banking and similar laws of general applicability or interpretations thereof by Governmental Authorities, (ii) changes in GAAP or regulatory accounting requirements applicable to insured depository institutions and their holding companies generally, (iii) changes in general economic conditions (including interest rates) affecting insured depository institutions and their holding companies generally, (iv) any modifications or changes to valuation policies and practices in connection with the transactions contemplated by this Agreement or restructuring charges taken in connection with the transactions contemplated by this Agreement, in each case in accordance with GAAP, (v) reasonable expenses incurred in connection with the transactions contemplated by this Agreement; (vi) the effects of any action or omission taken with the prior consent of the other party or as otherwise expressly permitted or contemplated by this Agreement; and (vii) any changes in international or domestic political or social conditions, including the occurrence of any military or terrorist attack upon or within the United States of America.

“NASDAQ” means The Nasdaq Stock Market, LLC.

“OCC” means the Office of the Comptroller of the Currency.

“Person” means any individual, bank, corporation, partnership, association, joint-stock company, business trust, limited liability company, unincorporated organization or other organization or firm of any kind or nature.

“Rights” means, with respect to any Person, warrants, options, rights, convertible securities and other arrangements or commitments which obligate the Person to issue or dispose of any of its capital stock or other ownership interests.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Software” means computer programs, whether in source code or object code form (including any and all software implementation of algorithms, models and methodologies), databases and compilations (including any and all data and collections of data), and all documentation (including user manuals and training materials) related to the foregoing.

“Subsidiary” means, with respect to any party, any corporation or other entity of which a majority of the capital stock or other ownership interest having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such party.

“Superior Proposal” means any bona fide written Acquisition Proposal made by a third party to acquire, directly or indirectly, including pursuant to a tender offer, exchange offer, merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction, for consideration consisting of cash and/or securities, more than 25% of the combined voting power of the shares of CBNK Stock then outstanding or all or substantially all of the assets of CBNK and otherwise (a) on terms which the CBNK Board determines in good faith, after consultation with its financial advisor, to be more favorable from a financial point of view to CBNK’s shareholders than the transactions contemplated by this Agreement, and (b) that constitutes a transaction that, in the CBNK Board’s good faith judgment, is reasonably likely to be consummated on the terms set forth, taking into account all legal, financial, regulatory and other aspects of such proposal.
“Tax” and “Taxes” mean all federal, state, local or foreign income, gross income, gains, gross receipts, sales, use, ad valorem, goods and services, capital, production, transfer, franchise, windfall profits, license, withholding, payroll, employment, disability, employer health, excise, estimated, severance, stamp, occupation, property, environmental, custom duties, unemployment or other taxes of any kind whatsoever, together with any interest, additions or penalties thereto and any interest in respect of such interest and penalties.

“Tax Returns” means any return, declaration or other report (including elections, declarations, schedules, estimates and information returns) with respect to any Taxes.

“WFD Board” means the Board of Directors of WFD.

“WFD Disclosure Schedule” means the disclosure schedule delivered by WFD to CBNK on or prior to the date hereof setting forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express provision of this Agreement or as an exception to one or more of its representations and warranties in Article IV or its covenants in Article V.

“WFD Share Price” means the average of the closing sales prices of one share of WFD Common Stock for the ten (10) trading days immediately preceding the Effective Time on NASDAQ as reported by The Wall Street Journal.

“WFD Common Stock” means the common stock, par value $0.01 per share, of WFD.

“WFD Intellectual Property” means the Intellectual Property used in or held for use in the conduct of the business of WFD.

(Remainder of page intentionally left blank.)
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in counterparts by their duly authorized officers, all as of the day and year first above written.

WESTFIELD FINANCIAL, INC.

By: /s/ James C. Hagan
Name: James C. Hagan
Title: President and Chief Executive Officer

CHICOPEE BANCORP, INC.

By: /s/ William J. Wagner
Name: William J. Wagner
Title: President and Chief Executive Officer

[Signature Page to Agreement and Plan of Merger]
Exhibit C-1

Form of Employment Agreement with William J. Wagner
Exhibit C-2

Form of Employment Agreement with Darlene Libiszewski
Exhibit D-1

Form of Settlement Agreement with William J. Wagner
Exhibit D-2

Form of Settlement Agreement with Maria J.C. Aigner
Section 3: EX-10.1 (EXHIBIT 10.1)

VOTING AGREEMENT

VOTING AGREEMENT ("Agreement"), dated as of April 4, 2016, by and between Westfield Financial, Inc., a Massachusetts corporation ("Buyer"), and the undersigned holder ("Shareholder") of common stock, no par value per share ("Common Stock"), of Chicopee Bancorp, Inc., a Massachusetts corporation (the "Company").

WHEREAS, concurrently with the execution of this Agreement, Buyer and the Company have entered into an Agreement and Plan of Merger (as such agreement may be subsequently amended or modified, the "Merger Agreement"); and

WHEREAS, the Shareholder beneficially owns (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) and has sole voting power with respect to the number of shares of Common Stock, and holds other rights to acquire the number of shares of Common Stock, indicated opposite the Shareholder’s name on Schedule 1 attached hereto (as used herein, the term "Shares" means all shares of Common Stock, whether such shares of Common Stock are held by the Shareholder on the date of this Agreement or are subsequently acquired prior to the Expiration Date (as defined in Section 2));

WHEREAS, it is a condition to the willingness of Buyer to enter into the Merger Agreement that the Shareholder execute and deliver this Agreement; and

WHEREAS, all capitalized terms used in this Agreement without definition herein shall have the meanings ascribed to them in the Merger Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Shareholder and Buyer agree as follows:

1. **Agreement to Vote Shares.** The Shareholder agrees that, prior to the Expiration Date, at any meeting of the shareholders of the Company, or any adjournment or postponement thereof, or in connection with any written consent of the shareholders of the Company, with respect to the Merger Agreement or any of the transactions contemplated thereby (including the Merger) or any Acquisition Proposal, the Shareholder shall:

   (a) appear at such meeting or otherwise cause the Shares to be counted as present thereat for purposes of calculating a quorum; and

   (b) affect the consummation of the Merger or any of the transactions contemplated by the Merger Agreement.

Any such vote shall be cast or consent shall be given in accordance with such procedures relating thereto so as to ensure that it is duly counted for purposes of determining that a quorum is present and for purposes of recording the results of such vote or consent.

2. **Expiration Date.** As used in this Agreement, the term "Expiration Date" shall mean the earliest to occur of (a) the Effective Time, (b) such date and time as the Merger Agreement shall be terminated pursuant to Article VII thereof, or (c) upon mutual written agreement of the parties hereto to terminate this Agreement. Upon termination or expiration of this Agreement, no party shall have any further obligations or liabilities under this Agreement; provided, however, that such termination or expiration shall not relieve any party from liability for any willful breach of this Agreement prior to the termination or expiration hereof.
3. **Agreement to Retain Shares.** The Shareholder shall not, except as contemplated by this Agreement or the Merger Agreement, directly or indirectly, (a) sell, assign, transfer, or otherwise dispose of (including, without limitation, by the creation of a Lien (as defined in Section 4(c)), any Shares, (b) enter into any contract, option, commitment or other arrangement or understanding with respect to the sale, transfer, assignment or other disposition of, any Shares, (c) deposit any Shares in a voting trust or enter into a voting agreement or similar agreement with respect to any Shares or grant any proxy or power of attorney with respect thereto, or (d) take any action that would make any representation or warranty of the Shareholder contained herein untrue or incorrect or have the effect of preventing or disabling the Shareholder from performing the Shareholder’s obligations under this Agreement. Notwithstanding the foregoing, the Shareholder may make (x) transfers of Shares by will or by operation of law, in which case this Agreement shall bind the transferee, (y) transfers of Shares in connection with estate and charitable planning purposes, including transfers to relatives, trusts and charitable organizations, subject to the transferee agreeing in writing to be bound by the terms of, and perform the obligations of the Shareholder under, this Agreement, and (z) as Buyer may otherwise agree in writing in its sole discretion.

4. **Representations and Warranties of Shareholder.** Except as disclosed on Schedule 1 hereto, the Shareholder hereby represents and warrants to Buyer as follows:

- (a) the Shareholder has the full power and authority to execute and deliver this Agreement and to perform the Shareholder’s obligations hereunder;

- (b) this Agreement has been duly executed and delivered by the Shareholder and (assuming this Agreement constitutes a valid and binding agreement of Buyer) is a valid and legally binding agreement with respect to the Shareholder, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors’ rights or by general equity principles);

- (c) the Shareholder beneficially owns the number of Shares indicated opposite such Shareholder’s name on Schedule 1, free and clear of any liens, claims, charges or other encumbrances or restrictions of any kind whatsoever (“Liens”), and has sole, and otherwise unrestricted, voting and investment power with respect to such Shares, and none of the Shares are subject to any voting trust or other agreement, arrangement or restriction with respect to the voting of the Shares, except as contemplated by this Agreement (the Shareholder agrees to promptly notify Buyer in writing of the nature and amount of any Shares acquired after the date hereof, and such Shares shall be subject to the foregoing representations and warranties);

- (d) the Shareholder understands that, at the Effective Time, each outstanding Share listed on Schedule 1 (including any restricted shares of Common Stock the vesting of which accelerates at or prior to the Effective Time) shall be converted into, as provided in and subject to the limitations set forth in the Merger Agreement, the right to receive 2.425 shares of Buyer Common Stock, plus cash for any fractional shares in accordance with Section 2.03 of the Merger Agreement;

- (e) the execution and delivery of this Agreement by the Shareholder does not, and the performance by the Shareholder of his obligations hereunder and the consummation by the Shareholder of the transactions contemplated hereby will not, violate or conflict with, or constitute a default under, any agreement, instrument, contract or other obligation or any order, arbitration award, judgment or decree to which the Shareholder is a party or by which the Shareholder is bound, or any statute, rule or regulation to which the Shareholder is subject or, in the event that the Shareholder is a corporation, partnership, trust or other entity, any bylaw or other organizational document of the Shareholder; and
5. **Irrevocable Proxy.** Subject to the last sentence of this Section 5, by execution of this Agreement, the Shareholder does hereby appoint Buyer with full power of substitution to any Affiliate of Buyer, as the Shareholder’s true and lawful attorney and irrevocable proxy, to the full extent of the Shareholder’s rights with respect to the Shares, to vote, if the Shareholder is unable to perform his obligations under this Agreement, each of such Shares that the Shareholder shall be entitled to so vote with respect to the matters set forth in Section 1 hereof at any meeting of the shareholders of the Company, and at any adjournment or postponement thereof, and in connection with any action of the shareholders of the Company taken by written consent. The Shareholder intends this proxy to be irrevocable and coupled with an interest hereafter until the Expiration Date and hereby revokes any proxy previously granted by the Shareholder with respect to the Shares. Notwithstanding anything contained herein to the contrary, this irrevocable proxy shall automatically terminate upon the Expiration Date of this Agreement.

6. **No Solicitation.** From and after the date hereof until the Expiration Date, the Shareholder, in his capacity as a shareholder of the Company, shall not, nor shall such Shareholder authorize any advisor or representative of, such Shareholder or any of his Affiliates, other than the Company in accordance with the terms of the Merger Agreement, to (and, to the extent applicable to the Shareholder, such Shareholder shall use reasonable best efforts to prevent any of his advisors or representatives or Affiliates, other than the Company in accordance with the terms of the Merger Agreement, to) (a) initiate, solicit, induce or knowingly encourage, or take any action to facilitate the making of, any inquiry, offer or proposal which constitutes, or could reasonably be expected to lead to, an Acquisition Proposal, (b) participate in any discussions or negotiations regarding any Acquisition Proposal, or furnish, or otherwise afford access, to any person (other than Buyer) any information or data with respect to the Company or any of its Subsidiaries or otherwise relating to an Acquisition Proposal, (c) enter into any agreement, agreement in principle or letter of intent with respect to an Acquisition Proposal, (d) solicit proxies or become a “participant” in a “solicitation” (as such terms are defined in Regulation 14A under the Exchange Act) with respect to an Acquisition Proposal (other than the Merger Agreement) or otherwise encourage or assist any party in taking or planning any action that would compete with, restrain or otherwise serve to interfere with or inhibit the timely consummation of the Merger in accordance with the terms of the Merger Agreement, (e) initiate a shareholders’ vote or action by consent of the Company’s shareholders with respect to an Acquisition Proposal, or (f) except by reason of this Agreement, become a member of a “group” (as such term is used in Section 13(d) of the Exchange Act) with respect to any voting securities of the Company that takes any action in support of an Acquisition Proposal.

7. **Specific Enforcement.** The parties hereto agree that irreparable damage would occur in the event any provision of this Agreement was not performed in accordance with the terms hereof or was otherwise breached. It is accordingly agreed that the parties shall be entitled to specific relief hereunder, including, without limitation, an injunction or injunctions to prevent and enjoin breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof, in any state or federal court in any competent jurisdiction, in addition to any other remedy to which they may be entitled at law or in equity. Any requirements for the securing or posting of any bond with respect to any such remedy are hereby waived.
8. **No Waivers.** No waivers of any breach of this Agreement extended by Buyer to the Shareholder shall be construed as a waiver of any rights or remedies of Buyer with respect to any other shareholder of the Company who has executed an agreement substantially in the form of this Agreement with respect to Shares beneficially owned by such shareholder or with respect to any subsequent breach of the Shareholder or any other such shareholder of the Company. No waiver of any provisions hereof by either party shall be deemed a waiver of any other provisions hereof by any such party, nor shall any such waiver be deemed a continuing waiver of any provision hereof by such party.

9. **Capacity as Shareholder.** Notwithstanding anything herein to the contrary, the covenants and agreements set forth herein shall not prevent the Shareholder (a) from exercising his duties and obligations as a director of the Company or otherwise taking any action, subject to the applicable provisions of the Merger Agreement, while acting in such capacity as a director of the Company, or (b) if the Shareholder is serving as a trustee or fiduciary of any ERISA plan or trust, from exercising his duties and obligations as a trustee or fiduciary of such ERISA plan or trust. The Shareholder is executing this Agreement solely in his capacity as a shareholder of the Company.

10. ** Entire Agreement; Amendments.** This Agreement supersedes all prior agreements, written or oral, among the parties hereto with respect to the subject matter hereof and contains the entire agreement among the parties with respect to the subject matter hereof. This Agreement may not be amended, supplemented or modified, and no provisions hereof may be modified or waived, except by an instrument in writing signed by each party hereto.

11. ** Further Assurances.** From time to time and without additional consideration, the Shareholder shall execute and deliver, or cause to be executed and delivered, such additional transfers, assignments, endorsements, proxies, consents and other instruments, and shall take such further actions, as Buyer may reasonably request for the purpose of carrying out and furthering the intent of this Agreement.

12. **Severability.** If any term or other provision of this Agreement is determined to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

13. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together shall constitute one and the same instrument.

14. **Effect of Headings.** The section headings herein are for convenience only and shall not affect the construction or interpretation of this Agreement.

15. **Public Disclosure.** The Shareholder shall not issue or cause the publication of any press release or other public announcement (to the extent not previously issued or made in accordance with the Merger Agreement) with respect to this Agreement, the Merger Agreement or the transactions contemplated by the Merger Agreement, including the Merger, without the prior consent of Buyer. The Shareholder hereby permits Buyer to publish and disclose in any document and/or schedule filed by Buyer with the Securities and Exchange Commission such Shareholder’s identity and ownership of Shares and the nature of such Shareholder’s commitments and obligations pursuant to this Agreement.
16. **Assignment.** This Agreement may not be assigned by any party hereto without the prior written consent of the other party hereto; provided, however, that, notwithstanding the foregoing, Buyer may assign its rights and obligations under this Agreement to any Subsidiary wholly owned by it. All of the covenants and agreements contained in this Agreement shall be binding upon, and inure to the benefit of, the respective parties and their permitted successors, assigns, heirs, executors, administrators and other legal representatives, as the case may be.

17. **Governing Law.** This Agreement shall be governed by, and interpreted in accordance with, the laws of the Commonwealth of Massachusetts, without giving effect to the principles of conflicts of law provisions.

18. **Waiver of Jury Trial.** The parties hereto hereby waive any right to trial by jury with respect to any action or proceeding related to or arising out of this Agreement, any document executed in connection herewith and the matters contemplated hereby and thereby.

19. **No Agreement Until Executed.** Irrespective of negotiations among the parties or the exchanging of drafts of this Agreement, this Agreement shall not constitute or be deemed to evidence a contract, agreement, arrangement or understanding between the parties hereto unless and until (a) the Board of Directors of the Company has approved, for purposes of any applicable anti-takeover laws and regulations, and any applicable provision of the Company’s Articles of Organization, the transactions contemplated by the Merger Agreement and this Agreement, (b) the Merger Agreement is executed by all parties thereto, and (c) this Agreement is executed by all parties hereto.

[Signature Page Follows]
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

WESTFIELD FINANCIAL, INC.

By:  /s/ James C. Hagan
     Name: James C. Hagan
     Title: President and Chief Executive Officer

SHAREHOLDER:

Name:

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Section 4: EX-10.2 (EXHIBIT 10.2)

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("the Agreement") is made and entered into as of April 4, 2016 (the "Effective Date") by and between WESTFIELD FINANCIAL, INC., a business corporation organized and existing under the laws of the Commonwealth of Massachusetts and having an office at 141 Elm Street, Westfield, Massachusetts 01085 (the "Company") and WILLIAM J. WAGNER (the "Executive").

WITNESSETH:

WHEREAS, concurrently with the execution of this Agreement, the Company and Chicopee Bancorp, Inc. (the "Seller") are entering into an Agreement and Plan of Merger (the "Merger Agreement"), and all capitalized terms not defined herein shall have the meaning set forth in the Merger Agreement and any reference to "Bank" herein shall mean Westfield Bank;

WHEREAS, Buyer and the Executive desire to enter into this Agreement, which shall supersede the Employment Agreement by and among Seller, Chicopee Savings Bank and the Executive, dated November 20, 2008, as amended on December 31, 2008 (the "Prior Employment Agreement"), effective as of the Effective Time of the Merger, and in lieu of any rights and potential payments under the Prior Employment Agreement which are hereby waived, the Executive shall continue employment with the Company following the Closing Date; and

WHEREAS, the Executive is willing to continue to serve the Company on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set forth, the Company and the Executive hereby agree as follows:

Section 1. Employment.

The Company agrees to continue to employ the Executive, and the Executive hereby agrees to such continued employment, during the period and upon the terms and conditions set forth in this Agreement.

Section 2. Employment Period: Remaining Unexpired Employment Period.

(a) The terms and conditions of this Agreement shall be and remain in effect during the period of employment established under this section 2 ("Employment Period"). The Employment Period shall be for a term of three (3) years beginning on the Closing Date and ending on the third anniversary date of the Closing Date. Any reference in this Agreement to the term "Remaining Unexpired Employment Period" as of any date shall mean the period beginning on such date and ending on the day of the third (3rd) anniversary of the Closing Date. If the Closing does not occur for any reason, then this Agreement shall be null and void ab initio and of no further force or effect.
Nothing in this Agreement shall be deemed to prohibit the Company at any time from terminating the Executive's employment during the Employment Period with or without notice for any reason; provided, however, that the relative rights and obligations of the Company and the Executive in the event of any such termination shall be determined under this Agreement.

Section 3. Duties.

The Executive shall serve as Chief Business Development Officer of the Company, having such power, authority and responsibility and performing such duties as are prescribed by the Company and as are customarily associated with such position. Subject to Section 7 of this Agreement, the Executive shall devote his full business time and attention (other than during weekends, holidays, approved vacation periods, and periods of illness or approved leaves of absence) to the business and affairs of the Company and shall use his best efforts to advance the interests of the Company.

Section 4. Cash Compensation.

In consideration for the services to be rendered by the Executive hereunder, the Company shall pay to him a salary at an annual rate of $350,000, payable in approximately equal installments in accordance with the Company's customary payroll practices for senior officers. The Board of Directors of the Company ("Board") shall review the Executive's annual rate of salary during the regular employee review process and at such other times during the Employment Period as it deems appropriate, and may, in its discretion, approve an increase therein. In addition to salary, the Executive may receive other cash compensation from the Company for services hereunder at such times, in such amounts and on such terms and conditions as the Board may determine from time to time.

Section 5. Employee Benefit Plans and Programs.

During the Employment Period, the Executive shall be treated as an employee of the Company and shall be entitled to participate in and receive benefits under any and all qualified or non-qualified retirement, pension, savings, profit-sharing or stock bonus plans, any and all group life, health (including hospitalization, medical and major medical), dental, accident and long term disability insurance plans, and any other employee benefit and compensation plans (including, but not limited to, any incentive compensation plans or programs, stock option and appreciation rights plans and restricted stock plans) as may from time to time be maintained by, or cover employees of, the Company in accordance with the terms and conditions of such employee benefit plans and programs and compensation plans and programs and consistent with the Company's customary practices. In addition, during the Employment Period the Executive shall be provided with the use of a Company-owned automobile, payment of a country club membership to Springfield Country Club at the same level as was in effect on the Effective Date and payment of supplemental life insurance premiums (such premiums not to exceed $6,000 per year). The Company shall provide car insurance, maintenance and gas with respect to such automobile and Executive shall comply with reasonable reporting and expense limitations as may be established by the Company from time to time. The Company shall include on Executive's Form W-2 any amount of income attributable to Executive’s personal use of such automobile.
Section 6. Indemnification and Insurance.

(a) During the Employment Period and for a period of six (6) years thereafter, the Company shall cause the Executive to be covered by and named as an insured under any policy or contract of insurance obtained by it to insure its officers against personal liability for acts or omissions in connection with service as an officer of the Company or service in other capacities at the request of the Company. The coverage provided to the Executive pursuant to this section 6 shall be of the same scope and on the same terms and conditions as the coverage (if any) provided to other officers of the Company.

(b) To the maximum extent permitted under applicable law, during the Employment Period and for a period of six (6) years thereafter, the Company shall indemnify the Executive against and hold him harmless from any costs, damages, losses and exposures arising out of a bona fide action, suit or proceeding in which he may be involved by reason of him having been an officer of the Company to the fullest extent and on the most favorable terms and conditions that similar indemnification is offered to any officer of the Company or any subsidiary or affiliate thereof.

(c) The Executive, the Company and the Bank agree that the termination benefits described in this Section 6 are intended to be exempt from Section 409A of the Internal Revenue Code ("Section 409A") pursuant to Treasury Regulation Section 1.409A-1(b)(10) as certain indemnification and liability insurance plans.

Section 7. Outside Activities.

The Executive may serve as a member of the boards of directors of such business, community and charitable organizations as he may disclose to and as may be approved by the Board (which approval shall not be unreasonably withheld); provided, however, that such service shall not materially interfere with the performance of his duties under this Agreement. The Executive may also engage in personal business and investment activities which do not materially interfere with the performance of his duties hereunder; provided, however, that such activities are not prohibited under any code of conduct or investment or securities trading policy established by the Company and generally applicable to all similarly situated executives. The Executive may also serve as an officer or director of the Bank on such terms and conditions as the Company and the Bank may mutually agree upon, and such service shall not be deemed to materially interfere with the Executive's performance of his duties hereunder or otherwise result in a material breach of this Agreement. If the Executive is discharged or suspended, or is subject to any regulatory prohibition or restriction with respect to participation in the affairs of the Bank, he shall continue to perform services for the Company in accordance with this Agreement but shall not directly or indirectly provide services to or participate in the affairs of the Bank in a manner inconsistent with the terms of such discharge or suspension or any applicable regulatory order.
Section 8. Working Facilities and Expenses.

The Executive's principal place of employment shall be at the Company's executive offices at the address first above written or at such other location as the Company and the executive may mutually agree upon. The Company shall reimburse the Executive for his ordinary and necessary business expenses in accordance with any relevant Company reimbursement policy or procedure in each case upon presentation to the Company of an itemized account of such expenses in such form as the Company may reasonably require. Expense reimbursements shall occur at the time provided in any relevant reimbursement policy or procedure of the Company and in any event not later than the last day of the calendar year immediately following the calendar year in which the reimbursable expense is incurred.

Section 9 Termination of Employment with Severance Benefits.

(a) The Executive shall be entitled to the severance benefits described in section 9(b) in the event that:

(i) his employment with the Company terminates during the Employment Period as a result of the Executive's voluntary resignation within ninety (90) days following:

(A) the failure of the Board to appoint or re-appoint or elect or re-elect the Executive to the position with the Company stated in section 3 of this Agreement;

(B) if the Executive is a member of the Board, the failure of the shareholders of the Company to elect or re-elect the Executive to the Board or the failure of the Board (or the nominating committee thereof) to nominate the Executive for such election or re-election;

(C) the expiration of a thirty (30)-day period following the date on which the Executive gives written notice to the Company of its material failure, whether by amendment of the Company's Certificate of Incorporation, the Company's By-Laws, action of the Board or the Company's shareholders or otherwise, to vest in the Executive the functions, duties, or responsibilities prescribed in section 3 of this Agreement, unless, during such thirty (30)-day period, the Company cures such failure;

(D) the expiration of a thirty (30)-day period following the date on which the Executive gives written notice to the Company of its material breach of any term, condition or covenant contained in this Agreement (including, without limitation any reduction of the Executive's rate of base salary in effect from time to time and any change in the terms and conditions of any compensation or benefit program in which the Executive participates which, either individually or together with other changes, has a material adverse effect on the aggregate value of his total compensation package), unless, during such thirty (30)-day period, the Company cures such failure;
(E) a change in the Executive's principal place of employment to a place that is not the principal executive office of the Bank, or a relocation of the Bank's principal executive office to a location that is both more than twenty-five (25) miles away from the Executive's principal residence and more than twenty-five (25) miles away from the location of the Bank's principal executive office on the date of this Agreement; or

(F) any material breach by the Company of any material term, condition or covenant contained in this Agreement; provided, however, that the Executive shall have given notice of such materials adverse effect to the Company, and the Company has not fully cured such failure within thirty (30) days after such notice is deemed given; or reason other than for "cause" as provided in section 11(a).

(b) Upon the occurrence of any of the events described in section 9(a) of this Agreement, the Company shall pay and provide to the Executive (or, in the event of his death thereafter and prior to payment, to his estate):

(i) his earned but unpaid salary (including, without limitation, all items which constitute wages under applicable law and the payment of which is not otherwise provided for in this section 9(b)) as of the date of the termination of his employment with the Company and the Bank, such payment to be made at the time and in the manner prescribed by law applicable to the payment of wages but in no event later than thirty (30) days after termination of employment as defined in Treasury Regulation Section 1.409A-1(h)(1)(ii);

(ii) the benefits, if any, to which he is entitled as a former employee under the employee benefit plans and programs and compensation plans and programs maintained for the benefit of the Company's and the Bank's officers and employees;

(iii) continued group life, health (including hospitalization, medical and major medical), dental, accident and long-term disability insurance benefits on substantially the same terms and conditions (including any required premium-sharing arrangements, co-payments and deductibles) in effect for them immediately prior to the Executive's termination for the Remaining Unexpired Employment Period for the Executive and his dependents. The coverage provided under this section 9(b)(iii) may, at the election of the Company, be secondary to the coverage provided pursuant to section 9(b)(ii) and to any employer-paid coverage provided by a subsequent employer or through Medicare, with the result that benefits under the other coverages will offset the coverage required by this section 9(b)(iii). The Executive, the Company and the Bank agree that the termination benefits described in this Section 9(b)(iii) are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1 (b)(1) as non-taxable benefits;
(iv) a lump sum payment in an amount equal to the estimated present value of the salary that the Executive would have earned if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period at the highest annual rate of salary achieved during the period of three (3) years ending immediately prior to the date of termination (the "Salary Severance Payment"). The Salary Severance Payment shall be computed using the following formula:

\[
SSP = \sum_{1}^{n} \left( \frac{BS}{PR} \right) \left[ \frac{1}{1 + \left( \frac{I}{PR} \right) ^n} \right]
\]

where "SSP" is the amount of the Salary Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "BS" is the highest annual rate of salary achieved by the Executive during the period of three (3) years ending immediately prior to the date of termination; "PR" is the number of payroll periods that occur during a year under the Company's normal payroll practices; "I" equals the applicable federal short term rate established under section 1274 of the Internal Revenue Code of 1986 (the "Code") for the month in which the Executive's termination of employment occurs (the "Short Term AFR") and "n" equals the product of the Remaining Unexpired Employment Period at the Executive's termination of employment (expressed in years and fractions of years) multiplied by the number of payroll periods that occur during a year under the Company's and the Bank's normal payroll practices. The Salary Severance Payment shall be made in lieu of any claim to a continuation of base salary which the Executive might otherwise have and in lieu of cash severance benefits under any severance benefits program which may be in effect for officers or employees of the Bank or the Company;

(v) a lump sum payment in an amount equal to the estimated present value of the annual bonuses that the Executive would have earned if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period at the highest annual rate of salary achieved during the period of three (3) years ending immediately prior to the date of termination (the "Bonus Severance Payment"). The Bonus Severance Payment shall be computed using the following formula:

\[
BSP = SSP \times \frac{ABP}{ASP}
\]

where "BSP" is the amount of the Bonus Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "SSP" is the amount of the Salary Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "BP" is the aggregate of the annual bonuses paid or declared (whether or not paid) for the most recent period of three (3) calendar years to end on or before the Executive's termination of employment; and "SP" is the aggregate base salary actually paid to the Executive during such period of three (3) calendar years (excluding any year for which no bonus was declared or paid). The Bonus Severance Payment shall be in lieu of any claim to a continuation of participation in annual bonus plans of the Bank or the Company which the Executive might otherwise have;
(vi) a lump sum payment in an amount equal to the estimated present value of the long-term incentive bonuses that the Executive would have earned if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period (the "Incentive Severance Payment"). The Incentive Severance Payment shall be computed using the following formula:

\[ ISP = \left( \frac{SSP}{RUP} \right) \times \left( \frac{ALTIP}{ALTSP} \right) \times Y \]

where "ISP" is the amount of the Incentive Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "SSP" is the amount of the Salary Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "ALTIP" is the aggregate of the most recently paid or declared (whether or not paid) long-term incentive compensation payments (but not more than three (3) such payments) for performance periods that end on or before the Executive's termination of employment; "ALTSP" is the aggregate base salary actually paid to the Executive during the performance periods covered by the payments included in "ALTIP" and excluding base salary paid for any period for which no long-term incentive compensation payment was declared or paid; "RUP" is the Remaining Unexpired Employment Period, expressed in years and fractions of years; and "Y" is the aggregate (expressed in years and fractions of years) of the Remaining Unexpired Employment Period plus the number of years and fraction of years that have elapsed since the end of the last performance period for which a long-term incentive payment has been declared and paid. In the event that the Executive's employment terminates prior to the payment date under any long-term incentive compensation plan, then for purposes of computing the Incentive Severance Payment, the "ALTSP" shall be deemed to be the average of the target and maximum award level under such plan and the "ALTSP" shall be deemed to be the Executive's annual base salary as in effect on the Executive's termination of employment. The Incentive Severance Payment shall be in lieu of any claim to a continuation of participation in cash long-term incentive compensation plans of the Bank or the Company which the Executive might otherwise have;

(vii) a lump sum payment in an amount equal to the excess (if any) of (A) the present value of the aggregate benefits to which he would be entitled under any and all tax-qualified and non-tax-qualified defined benefit plans maintained by, or covering employees of, the Company or the Bank (the "Pension Plans") if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period; over (B) the present value of the benefits to which the Executive and his spouse and/or designated beneficiaries are actually entitled under such plans (the "Pension Severance Payment"). The Pension Severance Payment shall be computed according to the following formula:

\[ PSP = PPB - APB \]
where "PSP" is the amount of the Pension Severance Payment (before deductions for applicable federal, state and local withholding taxes); "APB" is the aggregate lump sum present value of the actual vested pension benefits payable under the Pension Plans in the form of a straight life annuity beginning at the earliest date permitted under the Pension Plans, computed on the basis of the Executive's life expectancy at the earliest date on which payments under the Pension Plans could begin, determined by reference to Table VI of section 1.72-9 of the Income Tax Regulations (the "Assumed Life Expectancy"), and on the basis of an interest rate assumption equal to the average bond-equivalent yield on United States Treasury Securities with a Constant Maturity of thirty (30) Years for the month prior to the month in which the Executive's termination of employment occurs (the "30-Year Treasury Rate"); and "PPB" is the lump sum present value of the pension benefits (whether or not vested) that would be payable under the Pension Plans in the form of a straight life annuity beginning at the earliest date permitted under the Pension Plans, computed on the basis that the Executive's actual age at termination of employment is his attained age as of his last birthday that would occur during the Remaining Unexpired Employment Period, that his service for benefit accrual purposes under the Pension Plans is equal to the aggregate of his actual service plus the Remaining Unexpired Employment Period, that his average compensation figure used in determining his accrued benefit is equal to the highest annual rate of salary achieved by the Executive during the period of three (3) years ending immediately prior to the date of termination, that his life expectancy at the earliest date on which payments under the Pension Plans could begin is the Assumed Life Expectancy and that the interest rate assumption used is equal to the 30-Year Treasury Rate. The Pension Severance Payment shall be in lieu of any claim to any actual increase in his accrued benefit in the Pension Plans in respect of the Remaining Unexpired Employment Period; provided, however, that if the Pension Severance Payment represents the benefits under a non-tax-qualified benefit plan, the payment shall be paid in the same time and form as provided under the related non-tax-qualified benefit plan;

(viii) a lump sum payment in an amount equal to the present value of the additional employer contributions that would have been credited directly to his account(s) under any and all tax-qualified and non-tax-qualified defined contribution plans maintained by, or covering employees of, the Bank and the Company (the "Non-ESOP DC Plans"); plus the fair market value of the additional shares of employer securities or other property that would have been allocated to his account as a result of employer contributions or dividends under any tax-qualified leveraged employee stock ownership plan and any related non-tax-qualified supplemental plan maintained by, or covering employees of, the Bank and the Company (the "ESOP Plans") if he had continued in employment during the Remaining Unexpired Employment Period (the "Defined Contribution Severance Payment"). The Defined Contribution Severance Payment shall be computed according to the following formula:

\[ \text{DCSP} = \left[ \text{SSP} \times \left( \frac{\text{EC}}{\text{BS}} \right) \right] + \left[ \left( \text{STK} + \text{PROP} \right) \times \text{Y} \right] \]
where: "DCSP" is the amount of the Defined Contribution Severance Payment (before deductions for applicable federal, state and local withholding taxes); "SSP" is the amount of the Salary Severance Payment (before deductions for applicable federal, state and local withholding taxes); "EC" is the amount of employer contributions actually credited to the Executive's accounts under the Non-ESOP Plans for the last plan year to end before his termination of employment; "BS" is the Executive's compensation taken into account in computing EC; "Y" is the aggregate (expressed in years and fractions of years) of the Remaining Unexpired Employment Period and the number of years and fractions of years that have elapsed between the end of plan year for which EC was computed and the date of the Executive's termination of employment; "STK" is the fair market value (determined on the basis of the midpoint of the highest and lowest reported sales price for a share of stock of the same class during the thirty (30)-day period ending on the day of the Executive's termination of employment (the "Fair Market Value of a Share")) of the employer securities actually allocated to the Executive's accounts under the ESOP Plans in respect of employer contributions and dividends applied to loan amortization payments for the last plan year to end before his termination of employment; and "PROP" is the fair market value (determined as of the day before the Executive's termination of employment using the same valuation methodology used to value the assets of the ESOP Plans) of the property other than employer securities actually allocated to the Executive's accounts under the ESOP Plans in respect of employer contributions and dividends applied to loan amortization payments for the last plan year to end before his termination of employment. The Defined Contribution Severance Payment shall be in lieu of any claim to any actual increase in his accrued benefit in the Non-ESOP DC Plans or the ESOP DC Plans in respect of the Remaining Unexpired Employment; provided, however, that if the Defined Contribution Severance Payment represents the benefits under a non-tax-qualified defined contribution plan, the payment shall be paid in the same time and form as provided under the related non-tax-qualified defined contribution plan.

(ix) at the election of the Company made within thirty (30) days following the Executive's termination of employment, upon the surrender of options or appreciation rights issued to the Executive under any stock option and appreciation rights plan or program maintained by, or covering employees of, the Company or the Bank, a lump sum payment in an amount equal to the product of:

(A) the excess of (I) the Fair Market Value of a Share, over (II) the exercise price per share for such option or appreciation right, as specified in or under the relevant plan or program; multiplied by
For the purpose of computing this payment, the Executive shall be deemed fully vested in all options and appreciation rights under any stock option or appreciation rights plan or program maintained by, or covering employees of, the Company or the Bank, even if he is not vested under such plan or program; and

(x) at the election of the Company made within thirty (30) days following the Executive's termination of employment, upon the surrender of any shares awarded to the Executive under any restricted stock plan maintained by, or covering employees of, the Company or the Bank, the Company shall make a lump sum payment in an amount equal to the product of:

(A) the Fair Market Value of a Share granted under such plan; multiplied by

(B) the number of shares which are being surrendered.

For purposes of computing this payment, the Executive shall be deemed fully vested in all shares awarded under any restricted stock plan maintained by, or covering employees of, the Company or the Bank, even if he is not vested under such plan.

The Company and the Executive hereby stipulate that the damages which may be incurred by the Executive following any such termination of employment are not capable of accurate measurement as of the date first above written and that the payments and benefits contemplated by this section 9(b) constitute reasonable damages under the circumstances and shall be payable without any requirement of proof of actual damage and without regard to the Executive's efforts, if any, to mitigate damages. The Company and the Executive further agree that the Company may condition the payments and benefits (if any) due under sections 9(b)(iii), (iv), (v), (vi), (vii), (viii), (ix), and (x) on the receipt of the Executive's resignation from any and all positions which he holds as an officer, director or committee member with respect to the Company, the Bank or any subsidiary or affiliate of either of them; provided that such resignation is requested in writing not later than five (5) business days after termination of employment. The Executive agrees that the payments and benefits (if any) due under sections 9(b) (iii), (iv), (v), (vi), (vii) and (viii) shall be paid to Executive upon the sixtieth (60th) day following the Executive's termination of employment and that no payment shall be made prior to the expiration of the revocation period.

(c) The Executive, the Company and the Bank acknowledge that each of the payments and benefits promised to the Executive under this Agreement must either comply with the requirements of Section 409A and the regulations thereunder or qualify for an exception from compliance. To that end, the Executive, the Company and the Bank agree that the termination benefits described in Section 9(b) are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(4) as short-term deferrals.
Section 10. Death and Disability Benefits.

(a) In the event the Executive’s employment with the Company terminates during the Employment Period because of the Executive’s death, then the Company shall pay to the Executive’s estate the benefits listed in sections 9(b)(i) and 9(b)(ii) of this Agreement.

(b) The Company may terminate the Executive’s employment upon a determination, by vote of a majority of the members of the Boards of Directors of the Company, acting in reliance on the written advice of a medical professional acceptable to them, that the Executive is suffering from a physical or mental impairment which, at the date of the determination, has prevented the Executive from performing his assigned duties on a substantially full-time basis for a period of at least ninety (90) days during the period of one (1) year ending with the date of the determination or is likely to result in death or prevent the Executive from performing his assigned duties on a substantially full-time basis for a period of at least ninety (90) days during the period of one (1) year beginning with the date of the determination. In such event:

(i) The Company shall pay and deliver to the Executive (or in the event of his death before payment, to his estate and surviving dependents and beneficiaries, as applicable) the benefits described in sections 9(b)(i) and 9(b)(ii).

(ii) In addition to the benefits described in sections 9(b)(i) and 9(b)(ii), the Company shall continue to pay the Executive his base salary, at the annual rate in effect for him immediately prior to the termination of his employment, during a period ending on the earliest of: (A) the expiration of ninety (90) days after the date of termination of his employment; (B) the date on which long-term disability insurance benefits are first payable to him under any long-term disability insurance plan covering employees of the Bank or the Company (the "LTD Eligibility Date"); (C) the date of his death; and (D) the expiration of the Remaining Unexpired Employment Period (the "Initial Continuation Period"). If the end of the Initial Continuation Period is neither the LTD Eligibility Date nor the date of his death, the Company shall continue to pay the Executive his base salary, at an annual rate equal to sixty percent (60%) of the annual rate in effect for his immediately prior to the termination of his employment, during an additional period ending on the earliest of the LTD Eligibility Date, the date of his death and the expiration of the Remaining Unexpired Employment Period.

A termination of employment due to disability under this section 10 shall be effected by notice of termination given to the Executive by the Company and shall take effect on the later of the effective date of termination specified in such notice or the date on which the notice of termination is deemed given to the Executive. To that end, the Executive, the Company and the Bank agree that the disability benefits described in this Section 10 are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-3(i) as permissible payments.
Section 11. Termination without Additional Company Liability.

In the event that the Executive's employment with the Company shall terminate during the Employment Period on account of:

(a) the discharge of the Executive for "cause," which, for purposes of this Agreement, shall mean a discharge of the Executive due to the Executive's (i) personal dishonesty, (ii) incompetence, (iii) willful misconduct, (iii) breach of fiduciary duties involving personal profit, (iv) intentional failure to perform stated duties, (v) willful violation of any law, rule or regulation (other than traffic violations or similar offenses) or final cease-and-desist order or (vi) material breach of any provision of this Agreement; provided, however, that, if the Executive engages in any of the acts described in section 11(a)(vi) above, the Company shall provide the Executive with written notice of its intent to discharge the Executive for cause, and the Executive shall have forty-five (45) days from the date on which the Executive receives such notice to cure any such acts; and provided, further, that on and after the date that a Change of Control occurs, a determination under this section 11 shall require the affirmative vote of at least three-fourths of the members of the Board acting in good faith and such vote shall not be made prior to the expiration of a sixty (60)-day period following the date on which the Board shall, by written notice to the Executive, furnish to him a statement of its grounds for proposing to make such determination, during which period the Executive shall be afforded a reasonable opportunity to make oral and written presentations to the members of the Board, and to be represented by his legal counsel at such presentations, to refute the grounds for the proposed determination; or

(b) the Executive's voluntary resignation from employment with the Company (including retirement) for reasons other than those specified in section 9(a)(i) or Section 12; then the Company shall have no further obligations under this Agreement, other than the payment to the Executive of his earned but unpaid salary as of the date of the termination of his employment and the provision of such other benefits, if any, to which he is entitled as a former employee under the Company's employee benefit plans and programs and compensation plans and programs. For purposes of this section 11, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the written advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for "cause" within the meaning of section 11(a) unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of three-fourths of the members of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in section 11(a) above, and specifying the particulars thereof in detail.

Section 12. Termination Upon or Following a Change of Control.

(a) A Change of Control of the Company ("Change of Control") shall be deemed to have occurred upon the happening of any of the following events:
(i) the consummation of a reorganization, merger or consolidation of the Company, respectively, with one (1) or more other persons, other than a transaction following which:

(A) at least 51% of the equity ownership interests of the entity resulting from such transaction are beneficially owned (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended "Exchange Act") in substantially the same relative proportions by persons who, immediately prior to such transaction, beneficially owned (within the meaning of Rule 13d-3 promulgated under the Exchange Act) at least 51% of the outstanding equity ownership interests in the Company; and

(B) at least 51% of the securities entitled to vote generally in the election of directors of the entity resulting from such transaction are beneficially owned (within the meaning of Rule 13d-3 promulgated under the Exchange Act) in substantially the same relative proportions by persons who, immediately prior to such transaction, beneficially owned (within the meaning of Rule 13d-3 promulgated under the Exchange Act) at least 51% of the securities entitled to vote generally in the election of directors of the Company;

(ii) the acquisition of all or substantially all of the assets of the Company or beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 25% or more of the outstanding securities of the Company entitled to vote generally in the election of directors by any person or by any persons acting in concert, or approval by the stockholders of the Company of any transaction which would result in such an acquisition;

(iii) a complete liquidation or dissolution of the Company;

(iv) the occurrence of any event if, immediately following such event, at least 50% of the members of the Board of the Company do not belong to any of the following groups

(A) individuals who were members of the Board of the Company on the date of this Agreement; or

(B) individuals who first became members of the Board of the Company after the date of this Agreement either:

(I) upon election to serve as a member of the Board of the Company by affirmative vote of three-quarters of the members of such Board, or of a nominating committee thereof, in office at the time of such first election; or
(II) upon election by the stockholders of the Company to serve as a member of the Board of the Company, but only if nominated for election by affirmative vote of three-quarters of the members of the Board of the Company, or of a nominating committee thereof; in office at the time of such first nomination;

provided, however, that such individual's election or nomination did not result from an actual or threatened election contest or other actual or threatened solicitation of proxies or consents other than by or on behalf of the Board of the Company; or

(v) any event which would be described in section 12(a)(i), (ii), (iii) or (iv) if the term "Bank" were substituted for the term "Company" therein.

In no event, however, shall a Change of Control be deemed to have occurred as a result of any acquisition of securities or assets of the Company, the Bank, or a subsidiary of either of them, by the Company, the Bank, or a subsidiary of either of them, or by any employee benefit plan maintained by any of them. For purposes of this section 12(a), the term "person" shall have the meaning assigned to it under sections 13(d)(3) or 14(d)(2) of the Exchange Act.

(b) For purposes of this Agreement, a "Pending Change of Control" shall mean: (i) the signing of a definitive agreement for a transaction which, if consummated, would result in a Change of Control; (ii) the commencement of a tender offer which, if successful, would result in a Change of Control; or (iii) the circulation of a proxy statement seeking proxies in opposition to management in an election contest which, if successful, would result in a Change of Control.

(c) Notwithstanding anything in this Agreement to the contrary, if the Executive's employment with the Bank and the Company terminates due to death or disability within one (1) year after the occurrence of a Pending Change of Control and if a Change of Control occurs within two (2) years after such termination of employment, he (or in the event of his death, his estate) shall be entitled to receive the benefits described in section 9(b) that would have been payable if a Change of Control had occurred on the date of his termination of employment and he had resigned pursuant to section 9(a)(i) immediately thereafter; provided, that payment shall be deferred without interest until, and shall be payable immediately upon, the actual occurrence of a Change of Control.

(d) Notwithstanding anything in this Agreement to the contrary: (i) in the event of the Executive's resignation within sixty (60) days after the occurrence of a Change of Control, he shall be entitled to receive the benefits described in section 9(b) that would be payable if his resignation were pursuant to section 9(a)(i), without regard to the actual circumstances of his resignation; and (ii) for a period of one (1) year after the occurrence of a Change of Control, no discharge of the Executive shall be deemed a discharge with Cause unless the votes contemplated by section 11(a) of this Agreement are supported by at least two-thirds of the members of the Board of Directors of the Company at the time the vote is taken who were also members of the Board of Directors of the Company immediately prior to the Change of Control.
Section 13. Covenant Not To Compete.

The Executive hereby covenants and agrees that, in the event of his termination of employment with the Company, for a period of two (2) years following the date of his termination of employment with the Company, he shall not, without the written consent of the Company, become an officer, employee, consultant, director or trustee of any savings bank, savings and loan association, savings and loan holding company, bank or bank holding company, credit union, or any direct or indirect subsidiary or affiliate of any such entity, that entails working within Hampden county or any other county in which the Company or the Bank maintains an office; provided, however, that this section 13 and section 15 shall not apply if the Executive is entitled to the benefits under section 12. In consideration of his agreement to be bound by this non-competition covenant and the non-solicitation covenant set forth in section 15, the Company shall pay the Executive an aggregate amount of $475,000, in equal monthly installments, less applicable tax withholdings.

Section 14. Confidentiality.

Unless he obtains the prior written consent of the Company, the Executive shall keep confidential and shall refrain from using for the benefit of himself, or any person or entity other than the Company or any entity which is a subsidiary of the Company or of which the Company is a subsidiary, any material document or information obtained from the Company, or from its parent or subsidiaries, in the course of his employment with any of them concerning their properties, operations or business (unless such document or information is readily ascertainable from public or published information or trade sources or has otherwise been made available to the public through no fault of his own) until the same ceases to be material (or becomes so ascertainable or available); provided, however, that nothing in this section 14 shall prevent the Executive, with or without the Company's consent, from participating in or disclosing documents or information in connection with any judicial or administrative investigation, inquiry or proceeding to the extent that such participation or disclosure is required under applicable law.

Section 15. Solicitation.

The Executive hereby covenants and agrees that, for a period of two (2) years following his termination of employment with the Company, he shall not, without the written consent of the Company, either directly or indirectly:

(a) solicit, offer employment to, or take any other action intended, or that a reasonable person acting in like circumstances would expect, to have the effect of causing any officer or employee of the Company, the Bank or any of their respective subsidiaries or affiliates to terminate his or her employment and accept employment or become affiliated with, or provide services for compensation in any capacity whatsoever to, any savings bank, savings and loan association, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting deposits, making loans or doing business within the counties specified in section 13;

(b) provide any information, advice or recommendation with respect to any such officer or employee of any savings bank, savings and loan company, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting deposits, making loans, providing wealth management services, or doing business within the counties specified in section 14; that is intended, or that a reasonable person acting in like circumstances would expect, to have the effect of causing any officer or employee of the Company, the Bank, or any of their respective subsidiaries or affiliates to terminate his or her employment and accept employment or become affiliated with, or provide services for compensation in any capacity whatsoever to, any savings bank, savings and loan association, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting deposits, making loans or doing business within the county specified in section 13;
(c) solicit, provide any information, advice or recommendation or take any other action intended, or that a reasonable person acting in like circumstances would expect, to have the effect of causing any customer of the Company, the Bank or any of their respective subsidiaries to terminate an existing business or commercial relationship with any of them.

Section 16. **No Effect on Employee Benefit Plans or Programs.**

The termination of the Executive's employment during the term of this Agreement or thereafter, whether by the Company or by the Executive, shall have no effect on the rights and obligations of the parties hereto under the Company's qualified or non-qualified retirement, pension, savings, thrift, profit-sharing or stock bonus plans, group life, health (including hospitalization, medical and major medical), dental, accident and long term disability insurance plans or such other employee benefit plans or programs, or compensation plans or programs, as may be maintained by, or cover employees of, the Company from time to time; provided, however, that nothing in this Agreement shall be deemed to duplicate any compensation or benefits provided under any agreement, plan or program covering the Executive to which the Bank is a party and any duplicative amount payable under any such agreement, plan or program shall be applied as an offset to reduce the amounts otherwise payable hereunder.

Section 17. **Other Termination.**

Upon the expiration of this Agreement, other than on account of the Executive's refusing to accept an extension offered by the Company or the Executive's giving of a notice of non-extension, unless the Company shall offer to the Executive continued service either: (i) in the same position in effect immediately prior to the expiration of this Agreement with cash compensation and pension and welfare benefits no less favorable than those in effect immediately prior to the expiration of this Agreement; or (ii) in another position acceptable to the Executive and upon mutually and reasonably agreeable terms, and termination of employment, the Executive shall be entitled to receive for a period of twelve (12) months after the expiration of the Agreement (in this event, the "Severance Period") and continuation of base salary at the rate then in effect plus medical, dental, life-insurance and disability coverage; provided, that the Executive's continued participation is permissible or otherwise practicable under the general terms and provisions of such plans. To the extent that continued participation is neither permissible nor practicable, the Company shall take such actions as may be necessary to provide the Executive with substantially comparable benefits (without additional cost to the Executive) outside the scope of such plans. If the Executive engages in regular employment after his termination of employment (whether as an executive or as a self-employed person), any employee welfare benefits received by the Executive during the Severance Period in consideration of such employment which are similar in nature to the employee welfare benefits provided by the Company will relieve the Company of their obligations under this section 17 to provide comparable benefits to the extent of the benefits so received. This section 17 shall have no application if, prior to the expiration of this Agreement, the Executive's employment has terminated in a termination to which section 9, 10, 11 or 12 applies or if, after the expiration of this Agreement, the Executive's employment is terminated with Cause.
The Executive, the Company and the Bank agree that the termination benefits other than the salary continuation payments described in this Section 17 are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(1) as non-taxable benefits.

Section 18. Successors and Assigns.

This Agreement will inure to the benefit of and be binding upon the Executive, his legal representatives and testate or intestate distributees, and the Company, and their respective successors and assigns, including any successor by merger or consolidation or a statutory receiver or any other person or firm or corporation to which all or substantially all of the assets and business of the Company may be sold or otherwise transferred. Failure of the Company to obtain from any successor its express written assumption of the Company's obligations hereunder at least sixty (60) days in advance of the scheduled effective date of any such succession shall be deemed a material breach of this Agreement.

Section 19 Notices.

Any communication required or permitted to be given under this Agreement, including any notice, direction, designation, consent, instruction, objection or waiver, shall be in writing and shall be deemed to have been given at such time as it is delivered personally, or five (5) days after mailing if mailed, postage prepaid, by registered or certified mail, return receipt requested, addressed to such party at the address listed below or at such other address as one (1) such party may by written notice specify to the other party:

If to the Executive:

    Mr. William J. Wagner
    To the most recent address on file with the Company

If to the Company:

    Westfield Financial, Inc.
    141 Elm Street
    Westfield, Massachusetts 01085
    Attention: Chairman of the Board of Directors
Section 20. **Indemnification for Attorneys' Fees**

(a) The Company shall indemnify, hold harmless and defend the Executive against reasonable costs, including legal fees and expenses, incurred by him in connection with or arising out of any action, suit or proceeding in which he may be involved, as a result of his efforts, in good faith, to defend or enforce the terms of this Agreement. For purposes of this Agreement, any settlement agreement which provides for payment of any amounts in settlement of the Company's or the Bank's obligations hereunder shall be conclusive evidence of the Executive's entitlement to indemnification hereunder, and any such indemnification payments shall be in addition to amounts payable pursuant to such settlement agreement, unless such settlement agreement expressly provides otherwise. Any such indemnification payments will occur promptly following a request therefor, and in any event not later than the last day of the calendar year following the calendar year in which the indemnified expense is incurred or in which the Executive's legal right thereto is finally determined.

(b) The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not the Executive obtains other employment.

Section 21. **Severability**

A determination that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of any other provision hereof.

Section 22. **Waiver**

Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant, or condition. A waiver of any provision of this Agreement must be made in writing, designated as a waiver, and signed by the party against whom its enforcement is sought. Any waiver or relinquishment of any right or power hereunder at any one (1) or more times shall not be deemed a waiver or relinquishment of such right or power at any other time or times.
Section 23. Counterparts.

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same Agreement.

Section 24. Governing Law.

Except to the extent preempted by federal law, this Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts entered into and to be performed entirely within the Commonwealth of Massachusetts.

Section 25. Headings and Construction.

The headings of sections in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section. Any reference to a section number shall refer to a section of this Agreement, unless otherwise stated.


This instrument contains the entire agreement of the parties relating to the subject matter hereof, and supersedes in its entirety any and all prior agreements, understandings or representations relating to the subject matter hereof including the Prior Employment Agreement. No modifications of this Agreement shall be valid unless made in writing and signed by the parties hereto. Notwithstanding the preceding sentence, this Agreement shall be construed and administered in such manner as shall be necessary to effect compliance with Section 409A and shall be subject to amendment in the future, in such manner as the Company and the Bank may deem necessary or appropriate to effect such compliance; provided that any such amendment shall preserve for the Executive the benefit originally afforded pursuant to this Agreement. For the avoidance of doubt, Executive hereby agrees that the Closing shall not be considered a "Change In Control" for purposes of the Prior Employment Agreement and the occurrence of the Closing shall not entitle Executive to receive any payments, benefits or rights that would or could have been paid or provided under the Prior Employment Agreement in connection with a Change In Control as defined therein nor shall any amounts be due under this Agreement related to the Closing. Notwithstanding anything to the contrary contained herein, this Agreement shall be subject to consummation of the Merger in accordance with the terms of the Merger Agreement, as the same may be amended by the parties thereto in accordance with its terms. In the event the Merger Agreement is terminated for any reason or the Merger does not occur, this Agreement shall be deemed null and void.

Section 27. Non-duplication.

The Company hereby agrees to guarantee the payment by the Bank of any benefits and compensation to which the Executive is, or may be, entitled under the terms and conditions of the employment agreement of even date herewith between the Bank and the Executive. In the event that the Executive shall perform services for the Bank or any other direct or indirect subsidiary or affiliate of the Company or the Bank, any compensation or benefits provided to the Executive by such other employer shall be applied to offset the obligations of the Company hereunder, it being intended that this Agreement set forth the aggregate compensation and benefits payable to the Executive for all services to the Company, the Bank and all of their respective direct or indirect subsidiaries and affiliates.
Section 28. Dispute Resolution.

(a) The Executive acknowledges and agrees that upon any breach by the Executive of his obligations under sections 13, 14 or 15 hereof, the Company and Bank will have no adequate remedy at law, and accordingly will be entitled, in addition to monetary damages, to specific performance and other appropriate injunctive and equitable relief.

(b) Excluding only requests for equitable relief by the Company or Bank under section 28(a) of this Agreement, in the event that there is any claim or dispute arising out of or relating to this Agreement, or the breach thereof, and the parties hereto shall not have resolved such claim or dispute within sixty (60) days after written notice from one (1) party to the other setting forth the nature of such claim or dispute, then such claim or dispute shall be settled exclusively by binding arbitration in Boston, Massachusetts in accordance with the Employment Arbitration Rules of the American Arbitration Association by an arbitrator mutually agreed upon by the parties hereto or, in the absence of such agreement, by an arbitrator selected according to such Rules. Notwithstanding the foregoing, if either the Company and Bank or the Executive shall request, such arbitration shall be conducted by a panel of three (3) arbitrators, one (1) selected by the Company and Bank, one (1) selected by the Executive and the third selected by agreement of the first two (2), or, in the absence of such agreement, in accordance with such Rules. Judgment upon the award rendered by such arbitrator(s) shall be entered in any court having jurisdiction thereof upon the application of either party.

Section 29. Survival.

Any provision of this Agreement which, by its terms, contemplates performance after the expiration of the Employment Period or other termination of this Agreement shall be deemed to survive the expiration of this Agreement.


The following provisions are included for the purposes of complying with various laws, rules and regulations applicable to the Company:

(a) Notwithstanding anything herein contained to the contrary, in no event shall the aggregate amount of compensation payable to the Executive under section 9(b) hereof exceed the three (3) times the Executive's average annual compensation (within the meaning of the regulatory guidelines of the Office of the Comptroller of the Currency (“OCC”) or any successor thereto) for the last five (5) consecutive calendar years to end prior to his termination of employment with the Company (or for his entire period of employment with the Company if less than five (5) calendar years). The compensation payable to the Executive hereunder shall be further reduced (but not below zero) if such reduction would avoid the assessment of excise taxes on excess parachute payments (within the meaning of section 280G of the Code).
(b) Notwithstanding anything herein contained to the contrary, any payments to the Executive by the Company, whether pursuant to this Agreement or otherwise, are subject to and conditioned upon their compliance with section 18(k) of the Federal Deposit Insurance Act ("FDI Act"), 12 U.S.C. §1828 (k), and any regulations promulgated thereunder.

(c) Notwithstanding anything herein contained to the contrary, if the Executive is suspended from office and/or temporarily prohibited from participating in the conduct of the affairs of the Company pursuant to a notice served under section 8(e)(3) or 8(g)(1) of the FDI Act, 12 U.S.C. §1818(e)(3) or 1818(g)(1), the Company's obligations under this Agreement shall be suspended as of the date of service of such notice, unless stayed by appropriate proceedings. If the charges in such notice are dismissed, the Company, in its discretion, may (i) pay to the Executive all or part of the compensation withheld while the Company's obligations hereunder were suspended and (ii) reinstate, in whole or in part, any of the obligations which were suspended.

(d) Notwithstanding anything herein contained to the contrary, if the Executive is removed and/or permanently prohibited from participating in the conduct of the Company's affairs by an order issued under section 8(e)(4) or 8(g)(1) of the FDI Act, 12 U.S.C. §1818(e)(4) or (g)(1), all obligations of the Company under this Agreement shall terminate as of the effective date of the order, but vested rights of the Company and the Executive shall not be affected.

(e) Notwithstanding anything herein contained to the contrary, if the Company is in default (within the meaning of section 3(x)(1) of the FDI Act, 12 U.S.C. §1813(x)(1), all obligations of the Company under this Agreement shall terminate as of the date of default, but vested rights and obligations of the Company and the Executive shall not be affected.

(f) Notwithstanding anything herein contained to the contrary, all obligations of the Company hereunder shall be terminated, except to the extent that a continuation of this Agreement is necessary for the continued operation of the Bank: (i) by the Director of the OCC or his designee or the Federal Deposit Insurance Corporation ("FDIC"), at the time the FDIC enters into an agreement to provide assistance to or on behalf of the Bank under the authority contained in section 13(c) of the FDI Act, 12 U.S.C. §1823(c); (ii) by the Director of the OCC or his designee at the time such Director or designee approves a supervisory merger to resolve problems related to the operation of the Bank or when the Bank is determined by such Director to be in an unsafe or unsound condition. The vested rights of the parties shall not be affected by such action.

Section 31. Payments to Key Employees.

Notwithstanding anything in this Agreement to the contrary, to the extent required under Section 409A, no payment to be made to a key employee (within the meaning of Section 409A) shall be made sooner than six (6) months after such termination of employment; provided, however, that to the extent such six (6)-month delay is imposed by Section 409A as a result of a Change of Control as defined in Section 12(a), the payment shall be paid into a rabbi trust for the benefit of the Executive as if the six (6)-month delay was not imposed with such amounts then being distributed to the Executive as soon as permissible under Section 409A.
Section 32. Involuntary Termination Payments to Employees (Safe Harbor).

In the event a payment is made to an employee upon an involuntary termination of employment, as deemed pursuant to this Agreement, such payment will not be subject to Section 409A provided that such payment does not exceed two (2) times the lesser of (i) the sum of the Executive's annualized compensation based on the taxable year immediately preceding the year in which termination of employment occurs or (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Executive terminates service (the "Safe Harbor Amount"). However, if such payment exceeds the Safe Harbor Amount, only the amount in excess of the Safe Harbor Amount will be subject to Section 409A. In addition, if such Executive is considered a key employee, such payment in excess of the Safe Harbor Amount will have its timing delayed and will be subject to the six (6)-month wait-period imposed by Section 409A as provided in Section 31 of this Agreement. The Executive, the Company and the Bank agree that the termination benefits described in this Section 32 are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) as the safe harbor for separation pay due to involuntary separation from service.

Section 33. Section 280G Cut-Back.

Notwithstanding anything in this Agreement to the contrary, if any payments or benefits provided for in this Agreement, together with any other payments which the Executive has the right to receive from the Company, the Bank, Seller, Chicopee Savings Bank, or any corporation which is a member of an “affiliated group” (as defined in Code Section 1504(a), without regard to Code Section 1504(b)) of which Company, the Bank, Seller, or Chicopee Savings Bank is a member, would constitute an “excess parachute payment” (as defined in Code Section 280G(b)(2)), payments pursuant to this Agreement shall be reduced to the extent necessary to ensure that no portion of such payments will be subject to the excise tax imposed by Code Section 4999. Any determination required under this section 33 shall be made by the Company and its tax advisors, whose determination shall be conclusive and binding upon the Executive.
IN WITNESS WHEREOF, the Company has caused this Agreement to be executed and the Executive has hereunto set his hand, all as of the day and year first above written.

EXECUTIVE

/s/ William J. Wagner
William J. Wagner

ATTEST:

By /s/ Gerald P. Ciejkaj
Gerald P. Ciejka

WESTFIELD FINANCIAL, INC.

By /s/ James C. Hagan
Name James C. Hagan
Title Chief Executive Officer and President

[Seal]

[SIGNATURE PAGE TO THE EMPLOYMENT AGREEMENT]
APPENDIX A

RELEASE OF CLAIMS

I, William J. Wagner, of [City], [County], Massachusetts, (hereafter, the “Employee”), in consideration of the severance described below, on behalf of himself and his heirs and assigns, hereby irrevocably and unconditionally releases and forever discharges, individually and collectively, WESTFIELD FINANCIAL, INC., a federally chartered thrift, with a place of business at 141 Elm Street, Westfield, Hampden County, Massachusetts (hereinafter, the “Company”), its affiliated companies, and each of their respective officers, directors, employees, shareholders, representatives, parent companies, subsidiaries, predecessors, successors, assigns, attorneys and all persons acting by, through or in concert with them, of and from any and all charges, claims, complaints, demands, liabilities, causes of action, losses, costs or expenses of any kind whatsoever (including related attorneys' fees and costs), known or unknown, suspected or unsuspected, that Employee may now have or has ever had against the Company by reason of any act, omission, transaction, or event occurring up to and including the date of the signing of this Agreement.

This waiver, release and discharge includes without limitation, claims related to any wrongful or unlawful discharge, discipline or retaliation, whether express or implied, any promotions or demotions, compensation, the Company's benefit plan(s) and the management thereof, defamation, slander, libel, invasion of privacy, misrepresentation, fraud, infliction of emotional distress, stress, breach of any covenant of good faith and fair dealing, and any other claims relating to the Employee's employment with the Company and the termination thereof. This waiver, release and discharge further applies but is not limited to any claims based on Title VII of the Civil Rights Act of 1964, the Post Civil War Civil Rights Act (41 U.S.C. ss. 1981 - 88), the Civil Rights Act of 1991, the Equal Pay Act, the Age Discrimination Employment Act, the Older Workers' Benefit Protection Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Vietnam Era Veterans' Readjustment Act, the Fair Labor Standards Act, the Workers Adjustment and Retraining Notification Act, Executive Order 11246, the Employee Retirement Income Security Act of 1974, the Family and Medical Leave Act, Mass. Gen. Laws ch. 151B (all as they may be amended), and any other applicable federal, state or local laws, ordinances and regulations including those relating to discrimination to the extent permitted by law. Employee expressly waives all claims, including those which he does not know or suspect to exist in his favor as of the date of this Agreement against the Company. As used herein, the Employee understand the word "claims" to include all actions, claims, and grievances, whether actual or potential, known or unknown, and specifically but not exclusively including all claims against the Company or otherwise arising from Employee's employment with the Company, the termination thereof or any other conduct occurring on or prior to the date the Employee signs this Release of Claims. All such claims are forever barred by this Release of Claims whether they arise in contract or tort or under a statute or any other law.

SEVERANCE. In return for Employee's execution of and adherence to this Release of Claims, the Company shall pay the Employee the [Salary Severance Payment, Bonus Severance Payment, Incentive Severance Payment, Pension Severance Payment and Defined Contribution Severance Payment], as defined in and described in the Employment Agreement between the Company and the Employee, dated April 4, 2016, in the total amount of _____________ ($______) (the “Severance Payment”). Payments shall be made in a lump sum subject to usual and customary deductions required by law and Company policy.
CONFIDENTIAL TERMS. Employee and the Company agree that each will keep the contents of this Release of Claims (including its existence and the terms and provisions hereof) and the negotiations leading to it completely confidential, that neither will hereafter publish or disclose any information concerning such matters to anyone, and that each shall take every reasonable precaution to prevent the direct or indirect disclosure of such information to third parties, provided that the foregoing provisions shall not be construed to prevent Employee from disclosing such matters to his accountant or to prevent the Company from disclosing such matters to its accountants, and provided further that Employee may also make such disclosures as are finally compelled by law provided Employee gives the Company immediate notice of such legal process in order that the Company shall have the opportunity to object to the disclosure of such information.

INJUNCTIVE RELIEF. Employee acknowledges and recognizes that a violation of this Release of Claims and its covenants will cause irreparable damage to the Company and the Company will have no adequate remedy at law for such violation. Accordingly, Employee agrees that the Company will be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation of this Release of Claims or the terms and conditions provided herein. This right to injunctive relief will be cumulative and in addition to whatever remedies the parties may otherwise have at law.

CONSIDERATION AND REVOCATION PERIOD. I acknowledge that I am hereby advised to consult with an attorney before signing this Release of Claims. I further understand that I may consider this Release of Claims for up to twenty-one (21) days before deciding whether to sign it. If I signed this Release of Claims before the expiration of that twenty-one (21) day period, I acknowledge that such decision was entirely voluntary. I understand that if I do not sign and return this Release of Claims to the Company by the end of that twenty-one (21) day period, the Severance Payment described above will expire. I understand that for a period of seven (7) days after I execute this General Release, I have the right to revoke it by a written notice to be received by the Company by the end of that period. I also understand that this Release of Claims shall not be effective or enforceable until the expiration of that seven (7) day period. I further represent and agree that I have carefully read and fully understand all of the provisions of this Release of Claims and that I am voluntarily agreeing to those provisions. I acknowledge that I have not been induced to sign this Release of Claims by any representatives of any released party other than the Severance Payment as stated above.

Employee understands and agrees that Employee has carefully read and fully understands all of the provisions of this Agreement and knowingly and voluntarily agrees to all of the terms set forth in this Release of Claims. Employee knowingly and voluntarily intends to be legally bound by the same.

[SIGNATURE PAGE FOLLOWS]
THIS EMPLOYMENT AGREEMENT ("the Agreement") is made and entered into as of April 4, 2016 (the "Effective Date") by and between WESTFIELD BANK, a federally-chartered savings bank having an office at 141 Elm Street, Westfield, Massachusetts 01085 (the "Bank") and WILLIAM J. WAGNER (the "Executive").

WITNESSETH:

WHEREAS, concurrently with the execution of this Agreement, Westfield Financial, Inc., the bank holding company for the Bank (the "Company") and Chicopee Bancorp, Inc. (the "Seller") are entering into an Agreement and Plan of Merger (the "Merger Agreement"), and all capitalized terms not defined herein shall have the meaning set forth in the Merger Agreement;

WHEREAS, Buyer and the Executive desire to enter into this Agreement, which shall supersede the Employment Agreement by and among Seller, Chicopee Savings Bank and the Executive, dated November 20, 2008, as amended on December 31, 2008 (the "Prior Employment Agreement"), effective as of the Effective Time of the Merger, and in lieu of any rights and potential payments under the Prior Employment Agreement which are hereby waived, the Executive shall continue employment with the Bank following the Closing Date; and

WHEREAS, the Executive is willing to continue to serve the Bank on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set forth, the Bank and the Executive hereby agree as follows:

Section 1. Employment.

The Bank agrees to continue to employ the Executive, and the Executive hereby agrees to such continued employment, during the period and upon the terms and conditions set forth in this Agreement.
Section 2. Employment Period: Remaining Unexpired Employment Period.

(a) The terms and conditions of this Agreement shall be and remain in effect during the period of employment established under this section 2 ("Employment Period"). The Employment Period shall be for a term of three (3) years beginning on the Closing Date and ending on the third anniversary date of the Closing Date. Any reference in this Agreement to the term "Remaining Unexpired Employment Period" as of any date shall mean the period beginning on such date and ending on the day of the third (3rd) anniversary of the Closing Date. If the Closing does not occur for any reason, then this Agreement shall be null and void ab initio and of no further force or effect.
Nothing in this Agreement shall be deemed to prohibit the Bank at any time from terminating the Executive's employment during the Employment Period with or without notice for any reason; provided, however, that the relative rights and obligations of the Bank and the Executive in the event of any such termination shall be determined under this Agreement.

Section 3. Duties.

The Executive shall serve as Chief Business Development Officer of the Bank, having such power, authority and responsibility and performing such duties as are prescribed by the Bank and as are customarily associated with such position. Subject to Section 7 of this Agreement, the Executive shall devote his full business time and attention (other than during weekends, holidays, approved vacation periods, and periods of illness or approved leaves of absence) to the business and affairs of the Bank and shall use his best efforts to advance the interests of the Bank.

Section 4. Cash Compensation.

In consideration for the services to be rendered by the Executive hereunder, the Bank shall pay to him a salary at an annual rate of $350,000, payable in approximately equal installments in accordance with the Bank's customary payroll practices for senior officers. The Board of Directors of the Bank ("Board") shall review the Executive's annual rate of salary during the regular employee review process and at such other times during the Employment Period as it deems appropriate, and may, in its discretion, approve an increase therein. In addition to salary, the Executive may receive other cash compensation from the Bank for services hereunder at such times, in such amounts and on such terms and conditions as the Board may determine from time to time.

Section 5. Employee Benefit Plans and Programs.

During the Employment Period, the Executive shall be treated as an employee of the Bank and shall be entitled to participate in and receive benefits under any and all qualified or non-qualified retirement, pension, savings, profit-sharing or stock bonus plans, any and all group life, health (including hospitalization, medical and major medical), dental, accident and long term disability insurance plans, and any other employee benefit and compensation plans (including, but not limited to, any incentive compensation plans or programs, stock option and appreciation rights plans and restricted stock plans) as may from time to time be maintained by, or cover employees of, the Bank in accordance with the terms and conditions of such employee benefit plans and programs and compensation plans and programs and consistent with the Bank's customary practices. In addition, during the Employment Period the Executive shall be provided with the use of a Bank-owned automobile, payment of a country club membership to Springfield Country Club at the same level as was in effect on the Effective Date and payment of supplemental life insurance premiums (such premiums not to exceed $6,000 per year). The Bank shall provide car insurance, maintenance and gas with respect to such automobile and Executive shall comply with reasonable reporting and expense limitations as may be established by the Bank from time to time. The Bank shall include on Executive’s Form W-2 any amount of income attributable to Executive’s personal use of such automobile.
Section 6. Indemnification and Insurance.

(a) During the Employment Period and for a period of six (6) years thereafter, the Bank shall cause the Executive to be covered by and named as an insured under any policy or contract of insurance obtained by it to insure its officers against personal liability for acts or omissions in connection with service as an officer of the Bank or service in other capacities at the request of the Bank. The coverage provided to the Executive pursuant to this section 6 shall be of the same scope and on the same terms and conditions as the coverage (if any) provided to other officers of the Bank.

(b) To the maximum extent permitted under applicable law, during the Employment Period and for a period of six (6) years thereafter, the Bank shall indemnify the Executive against and hold him harmless from any costs, damages, losses and exposures arising out of a bona fide action, suit or proceeding in which he may be involved by reason of his having been an officer of the Bank to the fullest extent and on the most favorable terms and conditions that similar indemnification is offered to any officer of the Bank or any subsidiary or affiliate thereof.

(c) The Executive, the Company and the Bank agree that the termination benefits described in this Section 6 are intended to be exempt from Section 409A of the Internal Revenue Code (“Section 409A”) pursuant to Treasury Regulation Section 1.409A-1(b)(10) as certain indemnification and liability insurance plans.

Section 7. Outside Activities.

The Executive may serve as a member of the boards of directors of such business, community and charitable organizations as he may disclose to and as may be approved by the Board (which approval shall not be unreasonably withheld); provided, however, that such service shall not materially interfere with the performance of his duties under this Agreement. The Executive may also engage in personal business and investment activities which do not materially interfere with the performance of his duties hereunder; provided, however, that such activities are not prohibited under any code of conduct or investment or securities trading policy established by the Bank and generally applicable to all similarly situated executives. The Executive may also serve as an officer or director of the Company on such terms and conditions as the Company and the Bank may mutually agree upon, and such service shall not be deemed to materially interfere with the Executive's performance of his duties hereunder or otherwise result in a material breach of this Agreement. If the Executive is discharged or suspended, or is subject to any regulatory prohibition or restriction with respect to participation in the affairs of the Bank, he shall not directly or indirectly provide services to or participate in the affairs of the Bank in a manner inconsistent with the terms of such discharge or suspension or any applicable regulatory order.

Section 8. Working Facilities and Expenses.

The Executive’s principal place of employment shall be at the Bank's executive offices at the address first above written or at such other location as the Bank and the executive may mutually agree upon. The Bank shall reimburse the Executive for his ordinary and necessary business expenses in accordance with any relevant Bank reimbursement policy or procedure in each case upon presentation to the Bank of an itemized account of such expenses in such form as the Bank may reasonably require. Expense reimbursements shall occur at the time provided in any relevant reimbursement policy or procedure of the Bank and in any event not later than the last day of the calendar year immediately following the calendar year in which the reimbursable expense is incurred.
Section 9 Termination of Employment with Severance Benefits.

(a) The Executive shall be entitled to the severance benefits described in section 9(b) in the event that:

(i) his employment with the Bank terminates during the Employment Period as a result of the Executive's voluntary resignation within ninety (90) days following:

(A) the failure of the Board to appoint or re-appoint or elect or re-elect the Executive to the position with the Bank stated in section 3 of this Agreement;

(B) if the Executive is a member of the Board, the failure of the shareholders of the Bank to elect or re-elect the Executive to the Board or the failure of the Board (or the nominating committee thereof) to nominate the Executive for such election or re-election;

(C) the expiration of a thirty (30)-day period following the date on which the Executive gives written notice to the Bank of its material failure, whether by amendment of the Bank’s Restated Organization Certificate, the Bank’s By-Laws, action of the Board or the Bank’s shareholders or otherwise, to vest in the Executive the functions, duties, or responsibilities prescribed in section 3 of this Agreement, unless, during such thirty (30)-day period, the Bank cures such failure;

(D) the expiration of a thirty (30)-day period following the date on which the Executive gives written notice to the Bank of its material breach of any term, condition or covenant contained in this Agreement (including, without limitation any reduction of the Executive's rate of base salary in effect from time to time and any change in the terms and conditions of any compensation or benefit program in which the Executive participates which, either individually or together with other changes, has a material adverse effect on the aggregate value of his total compensation package), unless, during such thirty (30)-day period, the Bank cures such failure;

(E) a change in the Executive's principal place of employment to a place that is not the principal executive office of the Bank, or a relocation of the Bank's principal executive office to a location that is both more than twenty-five (25) miles away from the Executive's principal residence and more than twenty-five (25) miles away from the location of the Bank's principal executive office on the date of this Agreement; or
(F) any material breach by the Bank of any material term, condition or covenant contained in this Agreement; provided, however, that the Executive shall have given notice of such materials adverse effect to the Bank, and the Bank has not fully cured such failure within thirty (30) days after such notice is deemed given; or

(ii) the Executive’s employment with the Bank is terminated by the Bank for any reason other than for “cause” as provided in section 11(a).

(b) Upon the occurrence of any of the events described in section 9(a) of this Agreement, the Bank shall pay and provide to the Executive (or, in the event of his death thereafter and prior to payment, to his estate):

(i) his earned but unpaid salary (including, without limitation, all items which constitute wages under applicable law and the payment of which is not otherwise provided for in this section 9(b)) as of the date of the termination of his employment with the Company and the Bank, such payment to be made at the time and in the manner prescribed by law applicable to the payment of wages but in no event later than thirty (30) days after termination of employment as defined in Treasury Regulation Section 1.409A-1(h)(1)(ii);

(ii) the benefits, if any, to which he is entitled as a former employee under the employee benefit plans and programs and compensation plans and programs maintained for the benefit of the Company’s and the Bank’s officers and employees;

(iii) continued group life, health (including hospitalization, medical and major medical), dental, accident and long-term disability insurance benefits on substantially the same terms and conditions (including any required premium-sharing arrangements, co-payments and deductibles) in effect for them immediately prior to the Executive’s termination for the Remaining Unexpired Employment Period for the Executive and his dependents. The coverage provided under this section 9(b)(iii) may, at the election of the Bank, be secondary to the coverage provided pursuant to section 9(b)(ii) and to any employer-paid coverage provided by a subsequent employer or through Medicare, with the result that benefits under the other coverages will offset the coverage required by this section 9(b)(iii). The Executive, the Company and the Bank agree that the termination benefits described in this Section 9(b)(iii) are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b) (1) as non-taxable benefits;
(iv) a lump sum payment in an amount equal to the estimated present value of the salary that the Executive would have earned if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period at the highest annual rate of salary achieved during the period of three (3) years ending immediately prior to the date of termination (the "Salary Severance Payment"). The Salary Severance Payment shall be computed using the following formula:

\[
SSP = \frac{(BS/PR) \sum_{1}^{n} \left[ 1 + \left( \frac{I}{PR} \right)^n \right]}{n}
\]

where "SSP" is the amount of the Salary Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "BS" is the highest annual rate of salary achieved by the Executive during the period of three (3) years ending immediately prior to the date of termination; "PR" is the number of payroll periods that occur during a year under the Company's normal payroll practices; "I" equals the applicable federal short term rate established under section 1274 of the Internal Revenue Code of 1986 (the "Code") for the month in which the Executive's termination of employment occurs (the "Short Term AFR") and "n" equals the product of the Remaining Unexpired Employment Period at the Executive's termination of employment (expressed in years and fractions of years) multiplied by the number of payroll periods that occur during a year under the Company's and the Bank's normal payroll practices. The Salary Severance Payment shall be in lieu of any claim to a continuation of base salary which the Executive might otherwise have and in lieu of cash severance benefits under any severance benefits program which may be in effect for officers or employees of the Bank or the Company;

(v) a lump sum payment in an amount equal to the estimated present value of the annual bonuses that the Executive would have earned if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period at the highest annual rate of salary achieved during the period of three (3) years ending immediately prior to the date of termination (the "Bonus Severance Payment"). The Bonus Severance Payment shall be computed using the following formula:

\[
BSP = SSP \times \frac{ABP}{ASP}
\]

where "BSP" is the amount of the Bonus Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "SSP" is the amount of the Salary Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "BP" is the aggregate of the annual bonuses paid or declared (whether or not paid) for the most recent period of three (3) calendar years to end on or before the Executive's termination of employment; and "SP" is the aggregate base salary actually paid to the Executive during such period of three (3) calendar years (excluding any year for which no bonus was declared or paid). The Bonus Severance Payment shall be in lieu of any claim to a continuation of participation in annual bonus plans of the Bank or the Company which the Executive might otherwise have;
(vi) a lump sum payment in an amount equal to the estimated present value of the long-term incentive bonuses that the Executive would have earned if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period (the "Incentive Severance Payment"). The Incentive Severance Payment shall be computed using the following formula:

\[ ISP = \frac{SSP}{RUP} \times \frac{ALTIP}{ALTSP} \times Y \]

where "ISP" is the amount of the Incentive Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "SSP" is the amount of the Salary Severance Payment (before the deduction of applicable federal, state and local withholding taxes); "ALTIP" is the aggregate of the most recently paid or declared (whether or not paid) long-term incentive compensation payments (but not more than three (3) such payments) for performance periods that end on or before the Executive's termination of employment; "ALTSP" is the aggregate base salary actually paid to the Executive during the performance periods covered by the payments included in "ALTIP" and excluding base salary paid for any period for which no long-term incentive compensation payment was declared or paid; "RUP" is the Remaining Unexpired Employment Period, expressed in years and fractions of years; and "Y" is the aggregate (expressed in years and fractions of years) of the Remaining Unexpired Employment Period plus the number of years and fraction of years that have elapsed since the end of the last performance period for which a long-term incentive payment has been declared and paid. In the event that the Executive's employment terminates prior to the payment date under any long-term incentive compensation plan, then for purposes of computing the Incentive Severance Payment, the "ALTSP" shall be deemed to be the average of the target and maximum award level under such plan and the "ALTSP" shall be deemed to be the Executive's annual base salary as in effect on the Executive's termination of employment. The Incentive Severance Payment shall be in lieu of any claim to a continuation of participation in cash long-term incentive compensation plans of the Bank or the Company which the Executive might otherwise have;

(vii) a lump sum payment in an amount equal to the excess (if any) of (A) the present value of the aggregate benefits to which he would be entitled under any and all tax-qualified and non-tax-qualified defined benefit plans maintained by, or covering employees of, the Company or the Bank (the "Pension Plans") if he had continued working for the Company and the Bank during the Remaining Unexpired Employment Period; over (B) the present value of the benefits to which the Executive and his spouse and/or designated beneficiaries are actually entitled under such plans (the "Pension Severance Payment"). The Pension Severance Payment shall be computed according to the following formula:
where "PSP" is the amount of the Pension Severance Payment (before deductions for applicable federal, state and local withholding taxes); "APB" is the aggregate lump sum present value of the actual vested pension benefits payable under the Pension Plans in the form of a straight life annuity beginning at the earliest date permitted under the Pension Plans, computed on the basis of the Executive's life expectancy at the earliest date on which payments under the Pension Plans could begin, determined by reference to Table VI of section 1.72-9 of the Income Tax Regulations (the "Assumed Life Expectancy"), and on the basis of an interest rate assumption equal to the average bond-equivalent yield on United States Treasury Securities with a Constant Maturity of thirty (30) Years for the month prior to the month in which the Executive's termination of employment occurs (the "30-Year Treasury Rate"); and "PPB" is the lump sum present value of the pension benefits (whether or not vested) that would be payable under the Pension Plans in the form of a straight life annuity beginning at the earliest date permitted under the Pension Plans, computed on the basis that the Executive's actual age at termination of employment is his attained age as of his last birthday that would occur during the Remaining Unexpired Employment Period, that his service for benefit accrual purposes under the Pension Plans is equal to the aggregate of his actual service plus the Remaining Unexpired Employment Period, that his average compensation figure used in determining his accrued benefit is equal to the highest annual rate of salary achieved by the Executive during the period of three (3) years ending immediately prior to the date of termination, that the Executive's life expectancy at the earliest date on which payments under the Pension Plans could begin is the Assumed Life Expectancy and that the interest rate assumption used is equal to the 30-Year Treasury Rate. The Pension Severance Payment shall be in lieu of any claim to any actual increase in his accrued benefit in the Pension Plans in respect of the Remaining Unexpired Employment Period; provided, however, that if the Pension Severance Payment represents the benefits under a non-tax-qualified benefit plan, the payment shall be paid in the same time and form as provided under the related non-tax-qualified benefit plan; and

(viii) a lump sum payment in an amount equal to the present value of the additional employer contributions that would have been credited directly to his account(s) under any and all tax-qualified and non-tax-qualified defined contribution plans maintained by, or covering employees of, the Bank and the Company (the "Non-ESOP DC Plans"), plus the fair market value of the additional shares of employer securities or other property that would have been allocated to his account as a result of employer contributions or dividends under any tax-qualified leveraged employee stock ownership plan and any related non-tax-qualified supplemental plan maintained by, or covering employees of, the Bank and the Company (the "ESOP Plans") if he had continued in employment during the Remaining Unexpired Employment Period (the "Defined Contribution Severance Payment"). The Defined Contribution Severance Payment shall be computed according to the following formula:
DCSP = \[ SSP \times \left( \frac{EC}{BS} \right) \] + \[(STK + PROP) \times Y\]

where: "DCSP" is the amount of the Defined Contribution Severance Payment (before deductions for applicable federal, state and local withholding taxes); "SSP" is the amount of the Salary Severance Payment (before deductions for applicable federal, state and local withholding taxes); "EC" is the amount of employer contributions actually credited to the Executive's accounts under the Non-ESOP Plans for the last plan year to end before his termination of employment; "BS" is the Executive's compensation taken into account in computing EC; "Y" is the aggregate (expressed in years and fractions of years) of the Remaining Unexpired Employment Period and the number of years and fractions of years that have elapsed between the end of plan year for which EC was computed and the date of the Executive's termination of employment; "STK" is the fair market value (determined on the basis of the midpoint of the highest and lowest reported sales price for a share of stock of the same class during the thirty (30)-day period ending on the day of the Executive's termination of employment (the "Fair Market Value of a Share")) of the employer securities actually allocated to the Executive's accounts under the ESOP Plans in respect of employer contributions and dividends applied to loan amortization payments for the last plan year to end before his termination of employment; and "PROP" is the fair market value (determined as of the day before the Executive's termination of employment using the same valuation methodology used to value the assets of the ESOP Plans) of the property other than employer securities actually allocated to the Executive's accounts under the ESOP Plans in respect of employer contributions and dividends applied to loan amortization payments for the last plan year to end before his termination of employment. The Defined Contribution Severance Payment shall be in lieu of any claim to any actual increase in his accrued benefit in the Non-ESOP DC Plans or the ESOP DC Plans in respect of the Remaining Unexpired Employment; provided, however, that if the Defined Contribution Severance Payment represents the benefits under a non-tax-qualified defined contribution plan, the payment shall be paid in the same time and form as provided under the related non-tax-qualified defined contribution plan.

The Bank and the Executive hereby stipulate that the damages which may be incurred by the Executive following any such termination of employment are not capable of accurate measurement as of the date first above written and that the payments and benefits contemplated by this section 9(b) constitute reasonable damages under the circumstances and shall be payable without any requirement of proof of actual damage and without regard to the Executive's efforts, if any, to mitigate damages. The Bank and the Executive further agree that the Bank may condition the payments and benefits (if any) due under sections 9(b)(iii), (iv), (v), (vi), (vii) and (viii) on the receipt of the Executive's resignation from any and all positions which he holds as an officer, director or committee member with respect to the Company, the Bank or any subsidiary or affiliate of either of them; provided that such resignation is requested in writing not later than five (5) business days after termination of employment. The Executive agrees that the payments and benefits (if any) due under sections 9(b)(iii), (iv), (v), (vi), (vii) and (viii) shall be paid to Executive upon the sixtieth (60th) day following the Executive's termination of employment, subject to the Executive's execution, delivery, and non-revocation of a written release in substantially the form attached hereto as Appendix A ("Release of Claims"), within fifty-two (52) days of the Executive's termination of employment and that no payment shall be made prior to the expiration of the revocation period.
Section 10. Death and Disability Benefits.

(a) In the event the Executive's employment with the Bank terminates during the Employment Period because of the Executive's death, then the Bank shall pay to the Executive's estate the benefits listed in sections 9(b)(i) and 9(b)(ii) of this Agreement.

(b) The Bank may terminate the Executive's employment upon a determination, by vote of a majority of the members of the Board, acting in reliance on the written advice of a medical professional acceptable to them, that the Executive is suffering from a physical or mental impairment which, at the date of the determination, has prevented the Executive from performing his assigned duties on a substantially full-time basis for a period of at least ninety (90) days during the period of one (1) year ending with the date of the determination or is likely to result in death or prevent the Executive from performing his assigned duties on a substantially full-time basis for a period of at least ninety (90) days during the period of one (1) year beginning with the date of the determination. In such event:

(i) The Bank shall pay and deliver to the Executive (or in the event of his death before payment, to his estate and surviving dependents and beneficiaries, as applicable) the benefits described in sections 9(b)(i) and 9(b)(ii).

(ii) In addition to the benefits described in sections 9(b)(i) and 9(b)(ii), the Bank shall continue to pay the Executive his base salary, at the annual rate in effect for his immediately prior to the termination of his employment, during a period ending on the earliest of: (A) the expiration of ninety (90) days after the date of termination of his employment; (B) the date on which long-term disability insurance benefits are first payable to his under any long-term disability insurance plan covering employees of the Bank or the Company (the "LTD Eligibility Date"); (C) the date of his death; and (D) the expiration of the Remaining Unexpired Employment Period (the "Initial Continuation Period"). If the end of the Initial Continuation Period is neither the LTD Eligibility Date nor the date of his death, the Bank shall continue to pay the Executive his base salary, at an annual rate equal to sixty percent (60%) of the annual rate in effect for his immediately prior to the termination of his employment, during an additional period ending on the earliest of the LTD Eligibility Date, the date of his death and the expiration of the Remaining Unexpired Employment Period.
A termination of employment due to disability under this section 10 shall be effected by notice of termination given to the Executive by the Bank and shall take effect on the later of the effective date of termination specified in such notice or the date on which the notice of termination is deemed given to the Executive. To that end, the Executive, the Company and the Bank agree that the disability benefits described in this Section 10 are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-3(i) as permissible payments.

Section 11. Termination without Additional Company Liability.

In the event that the Executive's employment with the Bank shall terminate during the Employment Period on account of:

(a) the discharge of the Executive for "cause," which, for purposes of this Agreement, shall mean a discharge of the Executive due to the Executive's (i) personal dishonesty, (ii) incompetence, (iii) willful misconduct, (iv) breach of fiduciary duties involving personal profit, (v) intentional failure to perform stated duties, (vi) willful violation of any law, rule or regulation (other than traffic violations or similar offenses) or final cease-and-desist order or (vii) material breach of any provision of this Agreement; provided, however, that, if the Executive engages in any of the acts described in section 11(a)(vi) above, the Bank shall provide the Executive with written notice of its intent to discharge the Executive for cause, and the Executive shall have thirty (30) days from the date on which the Executive receives such notice to cure any such acts; and provided, further, that on and after the date that a Change of Control occurs, a determination under this section 11 shall require the affirmative vote of at least three-fourths of the members of the Board acting in good faith and such vote shall not be made prior to the expiration of a sixty (60)-day period following the date on which the Board shall, by written notice to the Executive, furnish to him a statement of its grounds for proposing to make such determination, during which period the Executive shall be afforded a reasonable opportunity to make oral and written presentations to the members of the Board, and to be represented by his legal counsel at such presentations, to refute the grounds for the proposed determination; or

(b) the Executive's voluntary resignation from employment with the Bank (including retirement) for reasons other than those specified in section 9(a)(i) or Section 12; then the Bank shall have no further obligations under this Agreement, other than the payment to the Executive of his earned but unpaid salary as of the date of the termination of his employment and the provision of such other benefits, if any, to which he is entitled as a former employee under the Bank's employee benefit plans and programs and compensation plans and programs. For purposes of this section 11, no act or failure to act, on the part of the Executive, shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Bank. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or based upon the written advice of counsel for the Bank shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Bank. The cessation of employment of the Executive shall not be deemed to be for "cause" within the meaning of section 11(a) unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of three-fourths of the members of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in section 11(a) above, and specifying the particulars thereof in detail.
Section 12. Termination Upon or Following a Change of Control.

(a) A Change of Control of the Company ("Change of Control") shall be deemed to have occurred upon the happening of any of the following events:

(i) the consummation of a reorganization, merger or consolidation of the Company, respectively, with one (1) or more other persons, other than a transaction following which:

   (A) at least 51% of the equity ownership interests of the entity resulting from such transaction are beneficially owned (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended "Exchange Act") in substantially the same relative proportions by persons who, immediately prior to such transaction, beneficially owned (within the meaning of Rule 13d-3 promulgated under the Exchange Act) at least 51% of the outstanding equity ownership interests in the Company; and

   (B) at least 51% of the securities entitled to vote generally in the election of directors of the entity resulting from such transaction are beneficially owned (within the meaning of Rule 13d-3 promulgated under the Exchange Act) in substantially the same relative proportions by persons who, immediately prior to such transaction, beneficially owned (within the meaning of Rule 13d-3 promulgated under the Exchange Act) at least 51% of the securities entitled to vote generally in the election of directors of the Company;

(ii) the acquisition of all or substantially all of the assets of the Company or beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 25% or more of the outstanding securities of the Company entitled to vote generally in the election of directors by any person or by any persons acting in concert, or approval by the stockholders of the Company of any transaction which would result in such an acquisition;

(iii) a complete liquidation or dissolution of the Company;

(iv) the occurrence of any event if, immediately following such event, at least 50% of the members of the Board of the Company do not belong to any of the following groups:

   (A) individuals who were members of the Board of the Company on the date of this Agreement; or
(B) individuals who first became members of the Board of the Company after the date of this Agreement either:

(I) upon election to serve as a member of the Board of the Company by affirmative vote of three-quarters of the members of such Board, or of a nominating committee thereof, in office at the time of such first election; or

(II) upon election by the stockholders of the Company to serve as a member of the Board of the Company, but only if nominated for election by affirmative vote of three-quarters of the members of the Board of the Company, or of a nominating committee thereof, in office at the time of such first nomination;

provided, however, that such individual's election or nomination did not result from an actual or threatened election contest or other actual or threatened solicitation of proxies or consents other than by or on behalf of the Board of the Company; or

(v) any event which would be described in section 12(a)(i), (ii), (iii) or (iv) if the term "Bank" were substituted for the term "Company" therein.

In no event, however, shall a Change of Control be deemed to have occurred as a result of any acquisition of securities or assets of the Company, the Bank, or a subsidiary of either of them, by the Company, the Bank, or a subsidiary of either of them, or by any employee benefit plan maintained by any of them. For purposes of this section 12(a), the term "person" shall have the meaning assigned to it under sections 13(d)(3) or 14(d)(2) of the Exchange Act.

(b) For purposes of this Agreement, a "Pending Change of Control" shall mean: (i) the signing of a definitive agreement for a transaction which, if consummated, would result in a Change of Control; (ii) the commencement of a tender offer which, if successful, would result in a Change of Control; or (iii) the circulation of a proxy statement seeking proxies in opposition to management in an election contest which, if successful, would result in a Change of Control.

(c) Notwithstanding anything in this Agreement to the contrary, if the Executive's employment with the Bank and the Company terminates due to death or disability within one (1) year after the occurrence of a Pending Change of Control and if a Change of Control occurs within two (2) years after such termination of employment, he (or in the event of his death, his estate) shall be entitled to receive the benefits described in section 9(b) that would have been payable if a Change of Control had occurred on the date of his termination of employment and he had resigned pursuant to section 9(a)(i) immediately thereafter; provided, that payment shall be deferred without interest until, and shall be payable immediately upon, the actual occurrence of a Change of Control.

(d) Notwithstanding anything in this Agreement to the contrary: (i) in the event of the Executive's resignation within sixty (60) days after the occurrence of a Change of Control, he shall be entitled to receive the benefits described in section 9(b) that would be payable if his resignation were pursuant to section 9(a)(i), without regard to the actual circumstances of his resignation; and (ii) for a period of one (1) year after the occurrence of a Change of Control, no discharge of the Executive shall be deemed a discharge with Cause unless the votes contemplated by section 11(a) of this Agreement are supported by at least two-thirds of the members of the Board of Directors of the Company at the time the vote is taken who were also members of the Board of Directors of the Company immediately prior to the Change of Control.
Section 13. Covenant Not To Compete

The Executive hereby covenants and agrees that, in the event of his termination of employment with the Bank, for a period of two (2) years following the date of his termination of employment with the Bank, he shall not, without the written consent of the Bank, become an officer, employee, consultant, director or trustee of any savings bank, savings and loan association, savings and loan holding company, bank or bank holding company, credit union, or any direct or indirect subsidiary or affiliate of any such entity, that entails working within Hampden county or any other county in which the Company or the Bank maintains an office; provided, however, that this section 13 and section 15 shall not apply if the Executive is entitled to benefits under section 12. In consideration of his agreement to be bound by this non-competition covenant and the non-solicitation covenant set forth in section 15, the Company shall pay the Executive an aggregate amount of $475,000, in equal monthly installments, less applicable tax withholdings.

Section 14. Confidentiality.

Unless he obtains the prior written consent of the Bank, the Executive shall keep confidential and shall refrain from using for the benefit of himself, or any person or entity other than the Company or any entity which is a subsidiary of the Company or of which the Company is a subsidiary, any material document or information obtained from the Company, or from its parent or subsidiaries, in the course of his employment with any of them concerning their properties, operations or business (unless such document or information is readily ascertainable from public or published information or trade sources or has otherwise been made available to the public through no fault of his own) until the same ceases to be material (or becomes so ascertainable or available); provided, however, that nothing in this section 14 shall prevent the Executive, with or without the Bank's consent, from participating in or disclosing documents or information in connection with any judicial or administrative investigation, inquiry or proceeding to the extent that such participation or disclosure is required under applicable law.

Section 15. Solicitation.

The Executive hereby covenants and agrees that, for a period of two (2) years following his termination of employment with the Bank, he shall not, without the written consent of the Bank, either directly or indirectly:

(a) solicit, offer employment to, or take any other action intended, or that a reasonable person acting in like circumstances would expect, to have the effect of causing any officer or employee of the Company, the Bank or any of their respective subsidiaries or affiliates to terminate his or her employment and accept employment or become affiliated with, or provide services for compensation in any capacity whatsoever to, any savings bank, savings and loan association, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting deposits, making loans or doing business within the counties specified in section 13;
(b) provide any information, advice or recommendation with respect to any such officer or employee of any savings bank, savings and
loan company, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting
deposits, making loans, providing wealth management services, or doing business within the counties specified in section 14; that is intended, or
that a reasonable person acting in like circumstances would expect, to have the effect of causing any officer or employee of the Company, the Bank,
or any of their respective subsidiaries or affiliates to terminate his or her employment and accept employment or become affiliated with, or provide
services for compensation in any capacity whatsoever to, any savings bank, savings and loan association, bank, bank holding company, savings
and loan holding company, or other institution engaged in the business of accepting deposits, making loans or doing business within the counties
specified in section 13;

(c) solicit, provide any information, advice or recommendation or take any other action intended, or that a reasonable person acting in like
circumstances would expect, to have the effect of causing any customer of the Company, the Bank or any of their respective subsidiaries to
terminate an existing business or commercial relationship with any of them.

Section 16. **No Effect on Employee Benefit Plans or Programs**

The termination of the Executive's employment during the term of this Agreement or thereafter, whether by the Bank or by the Executive,
shall have no effect on the rights and obligations of the parties hereto under the Bank's qualified or non-qualified retirement, pension, savings,
thrift, profit-sharing or stock bonus plans, group life, health (including hospitalization, medical and major medical), dental, accident and long term
disability insurance plans or such other employee benefit plans or programs, or compensation plans or programs, as may be maintained by, or cover
employees of, the Bank from time to time; provided, however, that nothing in this Agreement shall be deemed to duplicate any compensation or
benefits provided under any agreement, plan or program covering the Executive to which the Bank is a party and any duplicative amount payable
under any such agreement, plan or program shall be applied as an offset to reduce the amounts otherwise payable hereunder.

Section 17. **Successors and Assigns**

This Agreement will inure to the benefit of and be binding upon the Executive, his legal representatives and testate or intestate
distributees, and the Bank, and their respective successors and assigns, including any successor by merger or consolidation or a statutory receiver
or any other person or firm or corporation to which all or substantially all of the assets and business of the Bank may be sold or otherwise
transferred. Failure of the Bank to obtain from any successor its express written assumption of the Bank's obligations hereunder at least sixty (60)
days in advance of the scheduled effective date of any such succession shall be deemed a material breach of this Agreement.
Section 18. Notices.

Any communication required or permitted to be given under this Agreement, including any notice, direction, designation, consent, instruction, objection or waiver, shall be in writing and shall be deemed to have been given at such time as it is delivered personally, or five (5) days after mailing if mailed, postage prepaid, by registered or certified mail, return receipt requested, addressed to such party at the address listed below or at such other address as one (1) such party may by written notice specify to the other party:

If to the Executive:

Mr. William J. Wagner
To the most recent address on file with the Bank

If to the Bank:

Westfield Bank
141 Elm Street
Westfield, Massachusetts 01085

Attention: Chairman of the Board of Directors

with a copy to:

Hogan Lovells US LLP
555 Thirteenth Street, NW
Washington, D.C. 20004

Attention: Richard A. Schaberg

Section 19. Indemnification for Attorneys' Fees.

The Bank shall indemnify, hold harmless and defend the Executive against reasonable costs, including legal fees and expenses, incurred by him in connection with or arising out of any action, suit or proceeding in which he may be involved, as a result of his efforts, in good faith, to defend or enforce the terms of this Agreement; provided, however, that the Executive shall have substantially prevailed on the merits pursuant to a judgment, decree or order of a court of competent jurisdiction or of an arbitrator in an arbitration proceeding. The determination whether the Executive shall have substantially prevailed on the merits and is therefore entitled to such indemnification, shall be made by the court or arbitrator, as applicable. In the event of a settlement pursuant to a settlement agreement, any indemnification payment under this section 19 shall be made only after a determination by the members of the Board (other than the Executive and any other member of the Board to which the Executive is related by blood or marriage) that the Executive has acted in good faith and that such indemnification is in the best interests of the Bank. For purposes of this Agreement, any such indemnification payments will occur promptly following a request therefor, and in any event not later than the last day of the calendar year following the calendar year in which the indemnified expense is incurred or in which the Executive's legal right thereto is finally determined.
Section 20. **Severability.**

A determination that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of any other provision hereof.

Section 21. **Waiver.**

Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant, or condition. A waiver of any provision of this Agreement must be made in writing, designated as a waiver, and signed by the party against whom its enforcement is sought. Any waiver or relinquishment of any right or power hereunder at any one (1) or more times shall not be deemed a waiver or relinquishment of such right or power at any other time or times.

Section 22. **Counterparts.**

This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same Agreement.

Section 23. **Governing Law.**

Except to the extent preempted by federal law, this Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts entered into and to be performed entirely within the Commonwealth of Massachusetts.

Section 24. **Headings and Construction.**

The headings of sections in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section. Any reference to a section number shall refer to a section of this Agreement, unless otherwise stated.

Section 25. **Entire Agreement: Modifications.**

This instrument contains the entire agreement of the parties relating to the subject matter hereof, and supersedes in its entirety any and all prior agreements, understandings or representations relating to the subject matter hereof including the Prior Employment Agreement. No modifications of this Agreement shall be valid unless made in writing and signed by the parties hereto. Notwithstanding the preceding sentence, this Agreement shall be construed and administered in such manner as shall be necessary to effect compliance with Section 409A and shall be subject to amendment in the future, in such manner as the Company and the Bank may deem necessary or appropriate to effect such compliance; provided that any such amendment shall preserve for the Executive the benefit originally afforded pursuant to this Agreement. For the avoidance of doubt, Executive hereby agrees that the Closing shall not be considered a "Change In Control" for purposes of the Prior Employment Agreement and the occurrence of the Closing shall not entitle Executive to receive any payments, benefits or rights that would or could have been paid or provided under the Prior Employment Agreement in connection with a Change In Control as defined therein nor shall any amounts be due under this Agreement related to the Closing. Notwithstanding anything to the contrary contained herein, this Agreement shall be subject to consummation of the Merger in accordance with the terms of the Merger Agreement, as the same may be amended by the parties thereto in accordance with its terms. In the event the Merger Agreement is terminated for any reason or the Merger does not occur, this Agreement shall be deemed null and void.

In the event that the Executive shall perform services for the Company or any other direct or indirect subsidiary or affiliate of the Company or the Bank, any compensation or benefits provided to the Executive by such other employer shall be applied to offset the obligations of the Bank hereunder, it being intended that this Agreement set forth the aggregate compensation and benefits payable to the Executive for all services to the Company, the Bank and all of their respective direct or indirect subsidiaries and affiliates.

Section 27. Dispute Resolution.

(a) The Executive acknowledges and agrees that upon any breach by the Executive of his obligations under sections 13, 14 or 15 hereof, the Company and Bank will have no adequate remedy at law, and accordingly will be entitled, in addition to monetary damages, to specific performance and other appropriate injunctive and equitable relief.

(b) Excluding only requests for equitable relief by the Company or Bank under section 28(a) of this Agreement, in the event that there is any claim or dispute arising out of or relating to this Agreement, or the breach thereof, and the parties hereto shall not have resolved such claim or dispute within sixty (60) days after written notice from one (1) party to the other setting forth the nature of such claim or dispute, then such claim or dispute shall be settled exclusively by binding arbitration in Boston, Massachusetts in accordance with the Employment Arbitration Rules of the American Arbitration Association by an arbitrator mutually agreed upon by the parties hereto or, in the absence of such agreement, by an arbitrator selected according to such Rules. Notwithstanding the foregoing, if either the Company and Bank or the Executive shall request, such arbitration shall be conducted by a panel of three (3) arbitrators, one (1) selected by the Company and Bank, one (1) selected by the Executive and the third selected by agreement of the first two (2), or, in the absence of such agreement, in accordance with such Rules. Judgment upon the award rendered by such arbitrator(s) shall be entered in any court having jurisdiction thereof upon the application of either party.

Section 28. Survival.

Any provision of this Agreement which, by its terms, contemplates performance after the expiration of the Employment Period or other termination of this Agreement shall be deemed to survive the expiration of this Agreement.

The following provisions are included for the purposes of complying with various laws, rules and regulations applicable to the Bank:

(a) Notwithstanding anything herein contained to the contrary, in no event shall the aggregate amount of compensation payable to the Executive under section 9(b) hereof exceed the three (3) times the Executive's average annual compensation (within the meaning of the regulatory guidelines of the Office of the Comptroller of the Currency ("OCC") or any successor thereto) for the last five (5) consecutive calendar years to end prior to his termination of employment with the Bank (or for his entire period of employment with the Bank if less than five (5) calendar years). The compensation payable to the Executive hereunder shall be further reduced (but not below zero) if such reduction would avoid the assessment of excise taxes on excess parachute payments (within the meaning of section 280G of the Code).

(b) Notwithstanding anything herein contained to the contrary, any payments to the Executive by the Bank, whether pursuant to this Agreement or otherwise, are subject to and conditioned upon their compliance with section 18(k) of the Federal Deposit Insurance Act ("FDI Act"), 12 U.S.C. §1828 (k), and any regulations promulgated thereunder.

(c) Notwithstanding anything herein contained to the contrary, if the Executive is suspended from office and/or temporarily prohibited from participating in the conduct of the affairs of the Bank pursuant to a notice served under section 8(e)(3) or 8(g)(1) of the FDI Act, 12 U.S.C. §1818(e)(3) or 1818(g)(1), the Bank's obligations under this Agreement shall be suspended as of the date of service of such notice, unless stayed by appropriate proceedings. If the charges in such notice are dismissed, the Bank, in its discretion, may (i) pay to the Executive all or part of the compensation withheld while the Bank's obligations hereunder were suspended and (ii) reinstate, in whole or in part, any of the obligations which were suspended.

(d) Notwithstanding anything herein contained to the contrary, if the Executive is removed and/or permanently prohibited from participating in the conduct of the Bank's affairs by an order issued under section 8(e)(4) or 8(g)(1) of the FDI Act, 12 U.S.C. §1818(e)(4) or (g)(1), all obligations of the Bank under this Agreement shall terminate as of the effective date of the order, but vested rights of the Bank and the Executive shall not be affected.

(e) Notwithstanding anything herein contained to the contrary, if the Bank is in default (within the meaning of section 3(x)(1) of the FDI Act, 12 U.S.C. §1813(x)(1), all obligations of the Bank under this Agreement shall terminate as of the date of default, but vested rights and obligations of the Bank and the Executive shall not be affected.

(f) Notwithstanding anything herein contained to the contrary, all obligations of the Bank hereunder shall be terminated, except to the extent that a continuation of this Agreement is necessary for the continued operation of the Bank: (i) by the Director of the OCC or his designee or the Federal Deposit Insurance Corporation ("FDIC"), at the time the FDIC enters into an agreement to provide assistance to or on behalf of the Bank under the authority contained in section 13(c) of the FDI Act, 12 U.S.C. §1823(c); (ii) by the Director of the OCC or his designee at the time such Director or designee approves a supervisory merger to resolve problems related to the operation of the Bank or when the Bank is determined by such Director to be in an unsafe or unsound condition. The vested rights of the parties shall not be affected by such action.
If and to the extent that any of the foregoing provisions shall cease to be required or by applicable law, rule or regulation, the same shall become inoperative as though eliminated by formal amendment of this Agreement.

**Section 30. Payments to Key Employees.**

Notwithstanding anything in this Agreement to the contrary, to the extent required under Section 409A, no payment to be made to a key employee (within the meaning of Section 409A) shall be made sooner than six (6) months after such termination of employment; provided, however, that to the extent such six (6)-month delay is imposed by Section 409A as a result of a Change of Control as defined in Section 12(a), the payment shall be paid into a rabbi trust for the benefit of the Executive as if the six (6)-month delay was not imposed with such amounts then being distributed to the Executive as soon as permissible under Section 409A.

**Section 31. Involuntary Termination Payments to Employees (Safe Harbor).**

In the event a payment is made to an employee upon an involuntary termination of employment, as deemed pursuant to this Agreement, such payment will not be subject to Section 409A provided that such payment does not exceed two (2) times the lesser of (i) the sum of the Executive's annualized compensation based on the taxable year immediately preceding the year in which termination of employment occurs or (ii) the maximum amount that may be taken into account under a qualified plan pursuant to Section 401(a)(17) of the Code for the year in which the Executive terminates service (the "Safe Harbor Amount"). However, if such payment exceeds the Safe Harbor Amount, only the amount in excess of the Safe Harbor Amount will be subject to Section 409A. In addition, if such Executive is considered a key employee, such payment in excess of the Safe Harbor Amount will have its timing delayed and will be subject to the six (6)-month wait-period imposed by Section 409A as provided in Section 30 of this Agreement. The Executive, the Company and the Bank agree that the termination benefits described in this Section 31 are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) as the safe harbor for separation pay due to involuntary separation from service.

**Section 32. Section 280G Cut-Back.**

Notwithstanding anything in this Agreement to the contrary, if any payments or benefits provided for in this Agreement, together with any other payments which the Executive has the right to receive from the Company, the Bank, Seller, Chicopee Savings Bank, or any corporation which is a member of an “affiliated group” (as defined in Code Section 1504(a), without regard to Code Section 1504(b)) of which Company, the Bank, Seller, or Chicopee Savings Bank is a member, would constitute an “excess parachute payment” (as defined in Code Section 280G(b)(2)), payments pursuant to this Agreement shall be reduced to the extent necessary to ensure that no portion of such payments will be subject to the excise tax imposed by Code Section 4999. Any determination required under this section 32 shall be made by the Bank and its tax advisors, whose determination shall be conclusive and binding upon the Executive.
IN WITNESS WHEREOF, the Bank has caused this Agreement to be executed and the Executive has hereunto set his hand, all as of the day and year first above written.

EXECUTIVE

/s/ William J. Wagner

William J. Wagner

ATTEST:

WESTFIELD BANK

By /s/ Gerald P. Ciejka

Name: James C. Hagan

Title: Chief Executive Officer and President

[Seal]

[SIGNATURE PAGE TO THE EMPLOYMENT AGREEMENT]
I, William J. Wagner, of [City], [County], Massachusetts, (hereinafter, the “Employee”), in consideration of the severance described below, on behalf of himself and his heirs and assigns, hereby irrevocably and unconditionally releases and forever discharges, individually and collectively, WESTFIELD BANK, a federally chartered savings bank, with a place of business at 141 Elm Street, Westfield, Hampden County, Massachusetts (hereinafter, the “Bank”), its affiliated companies, and each of their respective officers, directors, employees, shareholders, representatives, parent companies, subsidiaries, predecessors, successors, assigns, attorneys and all persons acting by, through or in concert with them, of and from any and all charges, claims, complaints, demands, liabilities, causes of action, losses, costs or expenses of any kind whatsoever (including related attorneys' fees and costs), known or unknown, suspected or unsuspected, that Employee may now have or has ever had against the Bank by reason of any act, omission, transaction, or event occurring up to and including the date of the signing of this Agreement.

This waiver, release and discharge includes without limitation, claims related to any wrongful or unlawful discharge, discipline or retaliation, whether express or implied, any promotions or demotions, compensation, the Bank's benefit plan(s) and the management thereof, defamation, slander, libel, invasion of privacy, misrepresentation, fraud, infliction of emotional distress, stress, breach of any covenant of good faith and fair dealing, and any other claims relating to the Employee's employment with the Bank and the termination thereof. This waiver, release and discharge further applies but is not limited to any claims based on Title VII of the Civil Rights Act of 1964, the Post Civil War Civil Rights Act (41 U.S.C. ss. 1981 - 88), the Civil Rights Act of 1991, the Equal Pay Act, the Age Discrimination Employment Act, the Older Workers' Benefit Protection Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Vietnam Era Veterans' Readjustment Act, the Fair Labor Standards Act, the Workers Adjustment and Retraining Notification Act, Executive Order 11246, the Employee Retirement Income Security Act of 1974, the Family and Medical Leave Act, Mass. Gen. Laws ch. 151B (all as they may be amended), and any other applicable federal, state or local laws, ordinances and regulations including those relating to discrimination to the extent permitted by law. Employee expressly waives all claims, including those which he does not know or suspect to exist in his favor as of the date of this Agreement against the Bank. As used herein, the Employee understand the word "claims" to include all actions, claims, and grievances, whether actual or potential, known or unknown, and specifically but not exclusively including all claims against the Bank or otherwise arising from Employee's employment with the Bank, the termination thereof or any other conduct occurring on or prior to the date the Employee signs this Release of Claims. All such claims are forever barred by this Release of Claims whether they arise in contract or tort or under a statute or any other law.

SEVERANCE. In return for Employee's execution of and adherence to this Release of Claims, the Bank shall pay the Employee the [Salary Severance Payment, Bonus Severance Payment, Incentive Severance Payment, Pension Severance Payment and Defined Contribution Severance Payment], as defined in and described in the Employment Agreement between the Bank and the Employee, dated April 4, 2016, in the total amount of $_______ (the “Severance Payment”). Payments shall be made in a lump sum subject to usual and customary deductions required by law and Bank policy.
CONFIDENTIAL TERMS. Employee and the Bank agree that each will keep the contents of this Release of Claims (including its existence and the terms and provisions hereof) and the negotiations leading to it completely confidential, that neither will hereafter publish or disclose any information concerning such matters to anyone, and that each shall take every reasonable precaution to prevent the direct or indirect disclosure of such information to third parties, provided that the foregoing provisions shall not be construed to prevent Employee from disclosing such matters to his accountant or to prevent the Bank from disclosing such matters to its accountants, and provided further that Employee may also make such disclosures as are finally compelled by law provided Employee gives the Bank immediate notice of such legal process in order that the Bank shall have the opportunity to object to the disclosure of such information.

INJUNCTIVE RELIEF. Employee acknowledges and recognizes that a violation of this Release of Claims and its covenants will cause irreparable damage to the Bank and the Bank will have no adequate remedy at law for such violation. Accordingly, Employee agrees that the Bank will be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation of this Release of Claims or the terms and conditions provided herein. This right to injunctive relief will be cumulative and in addition to whatever remedies the parties may otherwise have at law.

CONSIDERATION AND REVOCATION PERIOD. I acknowledge that I am hereby advised to consult with an attorney before signing this Release of Claims. I further understand that I may consider this Release of Claims for up to twenty-one (21) days before deciding whether to sign it. If I signed this Release of Claims before the expiration of that twenty-one (21) day period, I acknowledge that such decision was entirely voluntary. I understand that if I do not sign and return this Release of Claims to the Bank by the end of that twenty-one (21) day period, the Severance Payment described above will expire. I understand that for a period of seven (7) days after I execute this General Release, I have the right to revoke it by a written notice to be received by the Bank by the end of that period. I also understand that this Release of Claims shall not be effective or enforceable until the expiration of that seven (7) day period. I further represent and agree that I have carefully read and fully understand all of the provisions of this Release of Claims and that I am voluntarily agreeing to those provisions. I acknowledge that I have not been induced to sign this Release of Claims by any representatives of any released party other than the Severance Payment as stated above.

Employee understands and agrees that Employee has carefully read and fully understands all of the provisions of this Agreement and knowingly and voluntarily agrees to all of the terms set forth in this Release of Claims. Employee knowingly and voluntarily intends to be legally bound by the same.

[Signature Page Follows]
Section 6: EX-10.4 (EXHIBIT 10.4)

Exhibit 10.4

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”) is entered into as of April 4, 2016 by and among William J. Wagner (the “Executive”), Westfield Financial, Inc., a bank holding company (“Buyer”), Westfield Bank, a wholly-owned subsidiary of Buyer (“Buyer Bank”), Chicopee Bancorp, Inc., a bank holding company (“Seller”), and Chicopee Savings Bank, a wholly-owned subsidiary of Seller (“Seller Bank”).

WITNESSETH:

WHEREAS, concurrently with the execution of this Agreement, Buyer and Seller are entering into an Agreement and Plan of Merger, dated as of April 4, 2016 (the “Merger Agreement”), and all capitalized terms not defined herein shall have the meaning set forth in the Merger Agreement; and

WHEREAS, Buyer, Buyer Bank, Seller, Seller Bank, and the Executive desire to enter into this Agreement, which shall supersede the Executive Employment Agreement by and among Seller and the Executive, dated November 20, 2008, as amended on December 31, 2008, and the Executive Employment Agreement by and among Seller Bank and the Executive, dated November 20, 2008, as amended on December 31, 2008 (collectively, the “Employment Agreements”), effective immediately prior to the Effective Time of the Merger, and in lieu of any rights and payments under the Employment Agreements, the Executive shall be entitled to the rights and payments set forth herein irrespective of whether the Executive terminates employment (which for the avoidance of doubt, the parties agree shall be the rights and payments to which the Executive is entitled in the event of the Executive’s termination of employment without “Cause” or for “Good Reason” following a “Change of Control” (as such terms are defined in the Employment Agreements) as contemplated by Sections 11 and 12 of the Employment Agreements).

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Executive, Buyer, Buyer Bank, Seller, and Seller Bank agree as follows:
1. **Settlement Amount.**

1.1 **Employment Agreements Amount.** On the Closing Date, provided the Executive has remained employed with the Seller and Seller Bank to and including the Closing Date, Seller shall, or shall cause an affiliate to, pay to the Executive a lump-sum cash amount equal to the total of $1,300,059, in full satisfaction of the payment obligations of Seller and Seller Bank under the Employment Agreements, less applicable tax withholdings (the total of such sum, the “Employment Agreements Amount”) with such amount to be further reduced pursuant to Section 1.2 hereof as may be needed.

For the avoidance of doubt, the payment of the Employment Agreements Amount under this Agreement shall not release Buyer, Buyer Bank, Seller, or Seller Bank, as applicable, from any of the following obligations: (a) obligations to pay to the Executive accrued but unpaid wages, and make payments for accrued but unused vacation, earned up to the Effective Time of the Merger to the extent required by applicable law; (b) the payment of any of the Executive’s vested benefits under the tax-qualified and non-qualified plans of Seller or Seller Bank, including any benefits that become vested as a result of the Merger; (c) obligations regarding accelerated vesting of equity awards and phantom stock awards, if any, under any equity awards or phantom stock unit awards granted by Seller to the Executive and outstanding immediately prior to the Effective Time; (d) the payment of the Merger Consideration with respect to the Executive’s common stock of Seller as contemplated by Section 2.01 of the Merger Agreement; (e) obligations regarding vested benefits and benefits which become vested as a result of the Merger under a supplemental executive retirement plan; or (f) rights to indemnification under applicable corporate law, the organizational documents of Seller or Seller Bank, as an insured under any director’s and officer’s liability insurance policy new or previously in force, or pursuant to Section 5.12 of the Merger Agreement.

For the avoidance of doubt, the parties to this Agreement acknowledge that the Merger constitutes a “change of control” for purposes of the Seller Bank Amended and Restated Supplemental Executive Retirement Plan and Seller Bank 2012 Phantom Stock Unit Award and Long-Term Incentive Plan, and Seller Bank will pay out all cash amounts under such agreements at the Closing Date.
1.2 **Section 280G Cut-Back.** Notwithstanding anything in this Agreement to the contrary, if the Employment Agreements Amount provided for in this Agreement, together with any other payments which the Executive has the right to receive from Buyer, Buyer Bank, Seller, Seller Bank, or any corporation which is a member of an “affiliated group” (as defined in Code Section 1504(a), without regard to Code Section 1504(b)) of which Buyer, Buyer Bank, Seller, or Seller Bank is a member, would constitute an “excess parachute payment” (as defined in Code Section 280G(b)(2)), payments pursuant to this Agreement shall be reduced to the extent necessary to ensure that no portion of such payments will be subject to the excise tax imposed by Code Section 4999. It is hereby understood that the Employment Agreements Amount as determined under this Section 1.2 will be subject to further adjustment upon the consummation of the Merger. Any determination required under this Section 1.2 shall be made by Seller and Buyer and their respective tax advisors, whose determination shall be conclusive and binding upon the Executive, Seller, and Seller Bank, and it is hereby understood that such determination will follow the same methodology for calculating the Code Section 280G limitation in order to avoid an “excess parachute payment” as provided in Seller Bank Disclosure Schedule 3.18(f) to the Merger Agreement.

1.3 **Section 280G Waiver.** Executive acknowledges and specifically waives his rights under Section 15 of the Employment Agreements, including, but not limited to, any right to indemnification for any excise tax imposed under Code Section 4999.

1.4 **No Further Adjustment.** The parties hereby agree that the Employment Agreements Amount as determined in the manner provided under Section 1.1 and Section 1.2 hereof is final and binding on all parties and shall not otherwise be subject to further adjustment.

1.5 **Employment with Buyer.** Concurrently with the signing of this Agreement Buyer and Buyer Bank shall each enter into employment agreements attached hereto as Appendix A and Appendix B with the Executive with such employment agreements to be effective as of the Closing Date at a base salary rate of $350,000 per year.

1.6 **Complete Satisfaction.** In consideration of the payment of the Employment Agreements Amount, the employment by Buyer and/or Buyer Bank following the Closing Date and the other provisions of this Agreement, the Executive, Buyer, Buyer Bank, Seller, and Seller Bank hereby agree that effective immediately following the Effective Time of the Merger, the Executive agrees that the full payment of the Employment Agreements Amount, as determined in accordance Section 1.1 and Section 1.2, shall be in complete satisfaction of all rights to payments due to Executive under the Employment Agreements.
2. **Code Section 409A Compliance.** The intent of the parties is that payments under this Agreement either be exempt from or comply with Code Section 409A and the Treasury Regulations and guidance promulgated thereunder and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. **To that end, Executive, Buyer, Seller, and Seller Bank agree that the payment described in Section 1 is intended to be excepted from compliance with Code Section 409A as a short-term deferral pursuant to Treasury Regulation Section 1.409A-1(b)(4).**

3. **General.**

   3.1 **Heirs, Successors, and Assigns.** The terms of this Agreement shall be binding upon the parties hereto and their respective heirs, successors, assigns and legal representatives.

   3.2 **Final Agreement.** This Agreement represents the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior understandings, written or oral, except as set forth in a separate written employment agreement by and between Buyer, Buyer Bank and the Executive. The terms of this Agreement may be changed, modified, or discharged only by an instrument in writing signed by each of the parties hereto.

   3.3 **Withholdings.** Seller, Seller Bank, Buyer, and Buyer Bank may withhold from any amounts payable under this Agreement such federal, state, or local taxes as may be required to be withheld pursuant to applicable law or regulation.

   3.4 **Governing Law.** This Agreement shall be construed, enforced, and interpreted in accordance with and governed by the laws of the Commonwealth of Massachusetts, without reference to its principles of conflicts of law, except to the extent that federal law shall be deemed to preempt such state laws.

   3.5 **Regulatory Limitations.** Notwithstanding any other provision of this Agreement, neither Buyer, Buyer Bank, Seller, nor Seller Bank shall be obligated to make, and Executive shall have no right to receive, any payment under this Agreement which would violate any law, regulation, or regulatory order applicable to Buyer, Buyer Bank, Seller, or Seller Bank, as applicable, at the time such payment is due, including, without limitation, Section 1828(k)(1) of Title 12 of the United States Code and any regulation or order thereunder of the Federal Deposit Insurance Corporation.

   3.6 **Voluntary Action and Waiver.** The Executive acknowledges that by his free and voluntary act of signing below, the Executive agrees to all of the terms of this Agreement and intends to be legally bound thereby. The Executive acknowledges that he has been advised to consult with an attorney prior to executing this Agreement.
3.7 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

4. **Effectiveness.** Notwithstanding anything to the contrary contained herein, this Agreement shall be subject to consummation of the Merger in accordance with the terms of the Merger Agreement, as the same may be amended by the parties thereto in accordance with its terms. In the event the Merger Agreement is terminated for any reason or the Merger does not occur, this Agreement shall be deemed null and void.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Buyer, Buyer Bank, Seller, and Seller Bank have each caused this Agreement to be executed by their duly authorized officers, and the Executive has signed this Agreement, effective as of the date first above written.

EXECUTIVE:

/\s/ William J. Wagner
William J. Wagner

CHICOPEE BANCORP, INC.

By: /\s/ William J. Giokas
Name: William J. Giokas
Title: Lead Director

CHICOPEE SAVINGS BANK

By: /\s/ William J. Giokas
Name: William J. Giokas
Title: Lead Director

WESTFIELD FINANCIAL, INC.

By: /\s/ James C. Hagan
Name: James C. Hagan
Title: Chief Executive Officer and President

WESTFIELD BANK

By: /\s/ James C. Hagan
Name: James C. Hagan
Title: Chief Executive Officer and President

[SIGNATURE PAGE TO THE SETTLEMENT AGREEMENT]

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**Section 7: EX-10.5 (EXHIBIT 10.5)**

**SETTLEMENT AGREEMENT**

This Settlement Agreement (the “Agreement”) is entered into as of April 4, 2016 by and among Russell J. Omer (the “Executive”), Westfield Financial, Inc., a bank holding company (“Buyer”), Westfield Bank, a wholly-owned subsidiary of Buyer (“Buyer Bank”), Chicopee Bancorp, Inc., a bank holding company (“Seller”), and Chicopee Savings Bank, a wholly-owned subsidiary of Seller (“Seller Bank”).

**WITNESSETH:**

**WHEREAS,** concurrently with the execution of this Agreement, Buyer and Seller are entering into an Agreement and Plan of Merger, dated
as of April 4, 2016 (the “Merger Agreement”), and all capitalized terms not defined herein shall have the meaning set forth in the Merger Agreement; and

WHEREAS, Buyer, Buyer Bank, Seller, Seller Bank, and the Executive desire to enter into this Agreement, which shall supersede the Executive Employment Agreement by and among Seller and the Executive, dated June 18, 2010, and the Executive Employment Agreement by and among Seller Bank and the Executive, dated June 18, 2010 (collectively, the “Employment Agreements”), effective immediately prior to the Effective Time of the Merger, and in lieu of any rights and payments under the Employment Agreements, the Executive shall be entitled to the rights and payments set forth herein and shall terminate employment with Seller and Seller Bank (which for the avoidance of doubt, the parties agree shall be the rights and payments to which the Executive is entitled in the event of the Executive’s termination of employment without “Cause” or for “Good Reason” following a “Change of Control” (as such terms are defined in the Employment Agreements) as contemplated by Sections 11 and 12 of the Employment Agreements).

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Executive, Buyer, Buyer Bank, Seller, and Seller Bank agree as follows:

1. Settlement Amount.

   1.1 Employment Agreements Amount. On the Closing Date, provided the Executive has remained employed with the Seller and Seller Bank to and including the Closing Date and has executed the release attached as Exhibit A hereto at least eight days prior to the Closing Date (and any revocation period has elapsed), Seller shall, or shall cause an affiliate to, (a) pay to the Executive a lump-sum cash amount equal to the total of $642,269, less applicable tax withholdings and (b) provide health and dental coverage to the Executive for a thirty-six (36) month period commencing on the Closing Date, with the Executive responsible for the employee portion of the applicable insurance premium payments (the total of such lump sum and health and dental coverage, the “Employment Agreements Amount”), in full satisfaction of the payment obligations of Seller and Seller Bank under the Employment Agreements. The Employment Agreements Amount shall be subject to further reduction pursuant to Section 1.2 hereof as may be needed.
For the avoidance of doubt, the payment of the Employment Agreements Amount under this Agreement shall not release Buyer, Buyer Bank, Seller, or Seller Bank, as applicable, from any of the following obligations: (a) obligations to pay to the Executive accrued but unpaid wages, and make payments for accrued but unused vacation, earned up to the Effective Time of the Merger to the extent required by applicable law, including any benefits that become vested as a result of the Merger; (b) the payment of any of the Executive’s vested benefits under the tax-qualified and non-qualified plans of Seller or Seller Bank; (c) obligations regarding accelerated vesting of equity awards and phantom stock awards, if any, under any equity awards or phantom stock unit awards granted by Seller to the Executive and outstanding immediately prior to the Effective Time; (d) the payment of the Merger Consideration with respect to the Executive’s common stock of Seller as contemplated by Section 2.01 of the Merger Agreement; (e) obligations regarding vested benefits and benefits which become vested as a result of the Merger under a supplemental executive retirement plan; or (f) rights to indemnification under applicable corporate law, the organizational documents of Seller or Seller Bank, as an insured under any director’s and officer’s liability insurance policy new or previously in force, or pursuant to Section 5.12 of the Merger Agreement.

For the avoidance of doubt, the parties to this Agreement acknowledge that the Merger constitutes a “change of control” for purposes of the Seller Bank Amended and Restated Supplemental Executive Retirement Plan and Seller Bank 2012 Phantom Stock Unit Award and Long-Term Incentive Plan, and Seller Bank will pay out all cash amounts under such agreements at the Closing Date.

1.2 Section 280G Cut-Back. Notwithstanding anything in this Agreement to the contrary, if the Employment Agreements Amount provided for in this Agreement, together with any other payments which the Executive has the right to receive from Buyer, Buyer Bank, Seller, Seller Bank, or any corporation which is a member of an “affiliated group” (as defined in Code Section 1504(a), without regard to Code Section 1504(b)) of which Buyer, Buyer Bank, Seller, or Seller Bank is a member, would constitute an “excess parachute payment” (as defined in Code Section 280G(b)(2)), payments pursuant to this Agreement shall be reduced to the extent necessary to ensure that no portion of such payments will be subject to the excise tax imposed by Code Section 4999. It is hereby understood that the Employment Agreements Amount as determined under this Section 1.2 will be subject to further adjustment upon the consummation of the Merger. Any determination required under this Section 1.2 shall be made by Seller and Buyer and their respective tax advisors, whose determination shall be conclusive and binding upon the Executive, Seller, and Seller Bank, and it is hereby understood that such determination will follow the same methodology for calculating the Code Section 280G limitation in order to avoid an “excess parachute payment” as provided in Seller Bank Disclosure Schedule 3.18(f) to the Merger Agreement.

1.3 Section 280G Waiver. Executive acknowledges and specifically waives his rights under Section 15 of the Employment Agreements, including, but not limited to, any right to indemnification for any excise tax imposed under Code Section 4999.

1.4 No Further Adjustment. The parties hereby agree that the Employment Agreements Amount as determined in the manner provided under Section 1.1 and Section 1.2 hereof is final and binding on all parties and shall not otherwise be subject to further adjustment.
1.5 **Restrictive Covenants.** In addition to the Employment Agreements Amount, Buyer shall pay, or cause Buyer Bank to pay, a total aggregate amount of $675,000, less any applicable tax withholdings, in equal monthly installments over the two-year period following the Closing Date in exchange for Executive’s adherence to the restrictive covenants contained in this **Section 1.5**, with such payments reported to the Executive on a Form 1099-Misc. The Executive hereby covenants and agrees that for a period of two years following Closing Date, he shall not, without the written consent of the Buyer, become an officer, employee, consultant, director or trustee of any savings bank, savings and loan association, savings and loan holding company, bank or bank holding company, credit union or any direct or indirect subsidiary or affiliate of any such entity, that entails working within Hampden county or any other county in which the Buyer, Buyer Bank, Seller or Seller Bank maintains an office as of the Closing Date. Unless he obtains the prior written consent of the Buyer, the Executive shall keep confidential and shall refrain from using for the benefit of himself, or any person or entity other than the Buyer or any entity which is a subsidiary of the Buyer or of which the Buyer is a subsidiary, any material document or information obtained from the Buyer, Buyer Bank, Seller or Seller Bank concerning their properties, operations or business (unless such document or information is readily ascertainable from public or published information or trade sources or has otherwise been made available to the public through no fault of his own) until the same becomes so ascertainable or available; provided, however, that nothing in this **Section 1.5** shall prevent the Executive, with or without the Buyer’s consent, from participating in or disclosing documents or information in connection with any judicial or administrative investigation, inquiry or proceeding to the extent that such participation or disclosure is required under applicable law. Further, the Executive hereby covenants and agrees that, for a period of two years following the Closing Date, he shall not, without the written consent of the Company, either directly or indirectly:

(a) solicit, offer employment to, or take any other action intended, or that a reasonable person acting in like circumstances would expect, to have the effect of causing any officer or employee of the Buyer, Buyer Bank, Seller or Seller Bank or any of their respective subsidiaries or affiliates to terminate his or her employment and accept employment or become affiliated with, or provide services for compensation in any capacity whatsoever to, any savings bank, savings and loan association, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting deposits, making loans or doing business within the counties specified in this **Section 1.5**;

(b) provide any information, advice or recommendation with respect to any such officer or employee of any savings bank, savings and loan company, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting deposits, making loans providing wealth management services or doing business within the counties specified in this **Section 1.5**; that is intended, or that a reasonable person acting in like circumstances would expect, to have the effect of causing any officer or employee of the Buyer, Buyer Bank, Seller or Seller Bank, or any of their respective subsidiaries or affiliates to terminate his or her employment and accept employment or become affiliated with, or provide services for compensation in any capacity whatsoever to, any savings bank, savings and loan association, bank, bank holding company, savings and loan holding company, or other institution engaged in the business of accepting deposits, making loans or doing business within the counties specified in this **Section 1.5**;
(c) solicit, provide any information, advice or recommendation or take any other action intended, or that a reasonable person acting in like circumstances would expect, to have the effect of causing any customer of the Buyer, Buyer Bank, Seller or Seller Bank or any of their respective subsidiaries to terminate an existing business or commercial relationship with any of them.

The Executive agrees that the relevant public policy and legal aspects of covenants not to compete have been discussed with him and that every effort has been made to limit the restrictions placed upon the Executive to those that are reasonable and necessary to protect Buyer’s legitimate interests. The Executive hereby acknowledges that, based upon his education, experience, and training, the non-compete and non-solicitation provisions of this Section 1.5 will not prevent him from earning a livelihood and supporting and his family during the relevant time-period. The existence of a claim, charge, or cause of action by the Executive against Buyer, Buyer Bank, Seller or Seller Bank or any of their affiliates shall not constitute a defense to the enforcement by Buyer or Buyer Bank of the foregoing restrictive covenants, but such claim, charge, or cause of action shall be litigated separately. If any restriction set forth in this Section 1.5 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, the court is hereby expressly authorized to modify this Agreement or to interpret this Agreement to extend only over the maximum period of time, range of activities, or geographic areas as to which it may be enforceable.

1.6 Complete Satisfaction. In consideration of the payment of the Employment Agreements Amount and the other provisions of this Agreement, the Executive, Buyer, Buyer Bank, Seller, and Seller Bank hereby agree that effective immediately following the Effective Time of the Merger, the Executive agrees that the full payment of the Employment Agreements Amount, as determined in accordance Section 1.1 and Section 1.2, shall be in complete satisfaction of all rights to payments due to Executive under the Employment Agreements.

2. Code Section 409A Compliance. The intent of the parties is that payments under this Agreement either be exempt from or comply with Code Section 409A and the Treasury Regulations and guidance promulgated thereunder and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. To that end, Executive, Buyer, Seller, and Seller Bank agree that the payment described in Section 1 is intended to be excepted from compliance with Code Section 409A as a short-term deferral pursuant to Treasury Regulation Section 1.409A-1(b)(4).


3.1 Heirs, Successors, and Assigns. The terms of this Agreement shall be binding upon the parties hereto and their respective heirs, successors, assigns and legal representatives.
3.2 **Final Agreement.** This Agreement represents the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior understandings, written or oral, except as set forth in a separate written employment agreement by and between Buyer, Buyer Bank and the Executive. The terms of this Agreement may be changed, modified, or discharged only by an instrument in writing signed by each of the parties hereto.

3.3 **Withholdings.** Seller, Seller Bank, Buyer, and Buyer Bank may withhold from any amounts payable under this Agreement such federal, state, or local taxes as may be required to be withheld pursuant to applicable law or regulation.

3.4 **Governing Law.** This Agreement shall be construed, enforced, and interpreted in accordance with and governed by the laws of the Commonwealth of Massachusetts, without reference to its principles of conflicts of law, except to the extent that federal law shall be deemed to preempt such state laws.

3.5 **Regulatory Limitations.** Notwithstanding any other provision of this Agreement, neither Buyer, Buyer Bank, Seller, nor Seller Bank shall be obligated to make, and Executive shall have no right to receive, any payment under this Agreement which would violate any law, regulation, or regulatory order applicable to Buyer, Buyer Bank, Seller, or Seller Bank, as applicable, at the time such payment is due, including, without limitation, Section 1828(k)(1) of Title 12 of the United States Code and any regulation or order thereunder of the Federal Deposit Insurance Corporation.

3.6 **Voluntary Action and Waiver.** The Executive acknowledges that by his free and voluntary act of signing below, the Executive agrees to all of the terms of this Agreement and intends to be legally bound thereby. The Executive acknowledges that he has been advised to consult with an attorney prior to executing this Agreement.

3.7 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

4. **Effectiveness.** Notwithstanding anything to the contrary contained herein, this Agreement shall be subject to consummation of the Merger in accordance with the terms of the Merger Agreement, as the same may be amended by the parties thereto in accordance with its terms. In the event the Merger Agreement is terminated for any reason or the Merger does not occur, this Agreement shall be deemed null and void.
IN WITNESS WHEREOF, Buyer, Buyer Bank, Seller, and Seller Bank have each caused this Agreement to be executed by their duly authorized officers, and the Executive has signed this Agreement, effective as of the date first above written.

EXECUTIVE:
/s/ Russell J. Omer
Russell J. Omer

CHICOPEE BANCORP, INC.

By: /s/ William J. Wagner
Name: William J. Wagner
Title: President and Chief Executive Officer

CHICOPEE SAVINGS BANK

By: /s/ William J. Wagner
Name: William J. Wagner
Title: President and Chief Executive Officer

WESTFIELD FINANCIAL, INC.

By: /s/ James C. Hagan
Name: James C. Hagan
Title: Chief Executive Officer and President

WESTFIELD BANK

By: /s/ James C. Hagan
Name: James C. Hagan
Title: Chief Executive Officer and President

[SIGNATURE PAGE TO SETTLEMENT AGREEMENT]
RELEASE OF CLAIMS

I, Russell J. Omer, of [City], [County], Massachusetts, (hereinafter, the “Employee”), in consideration of the Employment Agreements Amount as described below, on behalf of himself and his heirs and assigns, hereby irrevocably and unconditionally releases and forever discharges, individually and collectively, Westfield Financial, Inc., a bank holding company (“Buyer”), Westfield Bank, a wholly-owned subsidiary of Buyer (“Buyer Bank”), Chicopee Bancorp, Inc., a bank holding company (“Seller”), and Chicopee Savings Bank, a wholly-owned subsidiary of Seller (“Seller Bank”), their affiliated companies, and each of their respective officers, directors, employees, shareholders, representatives, parent companies, subsidiaries, predecessors, successors, assigns, attorneys and all persons acting by, through or in concert with them (collectively, the “Released Parties”), of and from any and all charges, claims, complaints, demands, liabilities, causes of action, losses, costs or expenses of any kind whatsoever (including related attorneys' fees and costs), known or unknown, suspected or unsuspected, that Employee may now have or has ever had against the Released Parties by reason of any act, omission, transaction, or event occurring up to and including the date of the signing of this Agreement.

This waiver, release and discharge includes without limitation, claims related to any wrongful or unlawful discharge, discipline or retaliation, whether express or implied, any promotions or demotions, compensation, the Seller or Seller Bank's benefit plan(s) and the management thereof, defamation, slander, libel, invasion of privacy, misrepresentation, fraud, infliction of emotional distress, stress, breach of any covenant of good faith and fair dealing, and any other claims relating to the Employee's employment with the Seller or Seller Bank and the termination thereof. This waiver, release and discharge further applies but is not limited to any claims based on Title VII of the Civil Rights Act of 1964, the Post Civil War Civil Rights Act (41 U.S.C. ss. 1981 - 88), the Civil Rights Act of 1991, the Equal Pay Act, the Age Discrimination Employment Act, the Older Workers' Benefit Protection Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Vietnam Era Veterans' Readjustment Act, the Fair Labor Standards Act, the Workers Adjustment and Retraining Notification Act, Executive Order 11246, the Employee Retirement Income Security Act of 1974, the Family and Medical Leave Act, Mass. Gen. Laws ch. 151B (all as they may be amended), and any other applicable federal, state or local laws, ordinances and regulations including those relating to discrimination to the extent permitted by law; provided, however, that, notwithstanding anything in this Release of Claims to the contrary, this Release of Claims does not apply to any of the items described in the second paragraph of Section 1.1 of the Settlement Agreement between the Buyer, Buyer Bank, Seller, and Seller Bank and the Employee, dated April 4, 2016. Employee expressly waives all claims, including those which he does not know or suspect to exist in his favor as of the date of this Agreement against the Released Parties. As used herein, the Employee understand the word "claims" to include all actions, claims, and grievances, whether actual or potential, known or unknown, and specifically but not exclusively including all claims against the Seller or Seller Bank or otherwise arising from Employee's employment with the Seller Bank, the termination thereof or any other conduct occurring on or prior to the date the Employee signs this Release of Claims. All such claims are forever barred by this Release of Claims whether they arise in contract or tort or under a statute or any other law.
EMPLOYMENT AGREEMENTS AMOUNT. In return for Employee's execution of and adherence to this Release of Claims, the Seller Bank shall pay the Employee the Employment Agreements Amount, as set forth in the Settlement Agreement between the Buyer, Buyer Bank, Seller, and Seller Bank and the Employee, dated April 4, 2016, in the total amount of _____________ ($______). Payment of the Employment Agreements Amount shall be made in a lump sum subject to usual and customary deductions required by law and Seller Bank policy.

CONFIDENTIAL TERMS. Employee and the Buyer, Buyer Bank, Seller, and Seller Bank agree that each will keep the contents of this Release of Claims (including its existence and the terms and provisions hereof) and the negotiations leading to it completely confidential, that neither will hereafter publish or disclose any information concerning such matters to anyone, and that each shall take every reasonable precaution to prevent the direct or indirect disclosure of such information to third parties, provided that the foregoing provisions shall not be construed to prevent Employee from disclosing such matters to his accountant or to prevent the Buyer, Buyer Bank, Seller, and Seller Bank from disclosing such matters to its accountants, and provided further that Employee may also make such disclosures as are finally compelled by law provided Employee gives the Buyer, Buyer Bank, Seller, and Seller Bank immediate notice of such legal process in order that the Buyer, Buyer Bank, Seller, and Seller Bank shall have the opportunity to object to the disclosure of such information.

INJUNCTIVE RELIEF. Employee acknowledges and recognizes that a violation of this Release of Claims and its covenants will cause irreparable damage to the Buyer, Buyer Bank, Seller, and Seller Bank and the Buyer, Buyer Bank, Seller, and Seller Bank will have no adequate remedy at law for such violation. Accordingly, Employee agrees that the Buyer, Buyer Bank, Seller, and Seller Bank will be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation of this Release of Claims or the terms and conditions provided herein. This right to injunctive relief will be cumulative and in addition to whatever remedies the parties may otherwise have at law.

CONSIDERATION AND REVOCATION PERIOD. I acknowledge that I am hereby advised to consult with an attorney before signing this Release of Claims. I further understand that I may consider this Release of Claims for up to twenty-one (21) days before deciding whether to sign it. If I signed this Release of Claims before the expiration of that twenty-one (21) day period, I acknowledge that such decision was entirely voluntary. I understand that if I do not sign and return this Release of Claims to the Seller Bank by the end of that twenty-one (21) day period, the Employment Agreements Amount described above will expire. I understand that for a period of seven (7) days after I execute this Release of Claims, I have the right to revoke it by a written notice to be received by the Seller Bank by the end of that period. I also understand that this Release of Claims shall not be effective or enforceable until the expiration of that seven (7) day period. I further represent and agree that I have carefully read and fully understand all of the provisions of this Release of Claims and that I am voluntarily agreeing to those provisions. I acknowledge that I have not been induced to sign this Release of Claims by any representatives of any released party other than the Employment Agreements Amount as stated above.
Employee understands and agrees that Employee has carefully read and fully understands all of the provisions of this Agreement and knowingly and voluntarily agrees to all of the terms set forth in this Release of Claims. Employee knowingly and voluntarily intends to be legally bound by the same.

Signed as a sealed instrument this ____________, 20__.  

__________________________________________  
Russell J. Omer

THE COMMONWEALTH OF MASSACHUSETTS

Hampden, ss. ____________, 20__

Before me, the undersigned notary public, personally appeared RUSSELL J. OMER, personally known, to be the person whose name is signed on the preceding document, and acknowledged to me that he signed it voluntarily for its stated purpose.

__________________________________________________  
__________________________, Notary Public

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Section 8: EX-10.6 (EXHIBIT 10.6)

This Settlement Agreement (the “Agreement”) is entered into as of April 4, 2016 by and among Guida R. Sajdak (the “Executive”), Westfield Financial, Inc., a bank holding company (“Buyer”), Westfield Bank, a wholly-owned subsidiary of Buyer (“Buyer Bank”), Chicopee Bancorp, Inc., a bank holding company (“Seller”), and Chicopee Savings Bank, a wholly-owned subsidiary of Seller (“Seller Bank”).

WITNESSETH:

WHEREAS, concurrently with the execution of this Agreement, Buyer and Seller are entering into an Agreement and Plan of Merger, dated as of April 4, 2016 (the “Merger Agreement”), and all capitalized terms not defined herein shall have the meaning set forth in the Merger Agreement; and

WHEREAS, Buyer, Buyer Bank, Seller, Seller Bank, and the Executive desire to enter into this Agreement, which shall supersede the Executive Employment Agreement by and among Seller, Seller Bank and the Executive, dated October 28, 2015 (the “Employment Agreement”), effective immediately prior to the Effective Time of the Merger, and in lieu of any rights and payments under the Employment Agreement, the Executive shall be entitled to the rights and payments set forth herein irrespective of whether the Executive terminates employment (which for the avoidance of doubt, the parties agree shall be the rights and payments to which the Executive is entitled in the event of the Executive’s termination of employment without “Cause” or for “Good Reason” following a “Change of Control” as such terms are defined in the Employment Agreement) as contemplated by Sections 11 and 12 of the Employment Agreement).

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Executive, Buyer, Buyer Bank, Seller, and Seller Bank agree as follows:

1. Settlement Amount.

   1.1 Employment Agreement Amount. On the Closing Date, provided the Executive has remained employed with the Seller and Seller Bank to and including the Closing Date, Seller shall, or shall cause an affiliate to, pay to the Executive a lump-sum cash amount equal to the total of $406,394, in full satisfaction of the payment obligations of Seller and Seller Bank under the Employment Agreement, less applicable tax withholdings (the total of such sum, the “Employment Agreement Amount”) with such amount to be further reduced pursuant to Section 1.2 hereof as may be needed.

   For the avoidance of doubt, the payment of the Employment Agreement Amount under this Agreement shall not release Buyer,
Buyer Bank, Seller, or Seller Bank, as applicable, from any of the following obligations: (a) obligations to pay to the Executive accrued but unpaid wages, and make payments for accrued but unused vacation, earned up to the Effective Time of the Merger to the extent required by applicable law; (b) the payment of any of the Executive’s vested benefits under the tax-qualified and non-qualified plans of Seller or Seller Bank, including any benefits that become vested as a result of the Merger; (c) obligations regarding accelerated vesting of equity awards and phantom stock awards, if any, under any equity awards or phantom stock unit awards granted by Seller to the Executive and outstanding immediately prior to the Effective Time; (d) the payment of the Merger Consideration with respect to the Executive’s common stock of Seller as contemplated by Section 2.01 of the Merger Agreement; or (e) rights to indemnification under applicable corporate law, the organizational documents of Seller or Seller Bank, as an insured under any director’s and officer’s liability insurance policy new or previously in force, or pursuant to Section 5.12 of the Merger Agreement.

For the avoidance of doubt, the parties to this Agreement acknowledge that the Merger constitutes a “change of control” for purposes of Seller Bank 2012 Phantom Stock Unit Award and Long-Term Incentive Plan, and Seller Bank will pay out all cash amounts under such agreements at the Closing Date.
1.2 Section 280G Cut-Back. Notwithstanding anything in this Agreement to the contrary, if the Employment Agreement Amount provided for in this Agreement, together with any other payments which the Executive has the right to receive from Buyer, Buyer Bank, Seller, Seller Bank, or any corporation which is a member of an “affiliated group” (as defined in Code Section 1504(a), without regard to Code Section 1504(b)) of which Buyer, Buyer Bank, Seller, or Seller Bank is a member, would constitute an “excess parachute payment” (as defined in Code Section 280G(b)(2)), payments pursuant to this Agreement shall be reduced to the extent necessary to ensure that no portion of such payments will be subject to the excise tax imposed by Code Section 4999. It is hereby understood that the Employment Agreement Amount as determined under this Section 1.2 will be subject to further adjustment upon the consummation of the Merger. Any determination required under this Section 1.2 shall be made by Seller and Buyer and their respective tax advisors, whose determination shall be conclusive and binding upon the Executive, Seller, and Seller Bank, and it is hereby understood that such determination will follow the same methodology for calculating the Code Section 280G limitation in order to avoid an “excess parachute payment” as provided in Seller Bank Disclosure Schedule 3.18(f) to the Merger Agreement.

1.3 No Further Adjustment. The parties hereby agree that the Employment Agreement Amount as determined in the manner provided under Section 1.1 and Section 1.2 hereof is final and binding on all parties and shall not otherwise be subject to further adjustment.

1.4 Employment with Buyer. Buyer and Buyer Bank anticipate that Executive will be an at-will employee of Buyer and/or Buyer Bank following the Closing Date as Executive Vice President, Chief Risk Officer at a base salary rate of $210,000 per year.

1.5 Complete Satisfaction. In consideration of the payment of the Employment Agreement Amount, the employment by Buyer and/or Buyer Bank following the Closing Date and the other provisions of this Agreement, the Executive, Buyer, Buyer Bank, Seller, and Seller Bank hereby agree that effective immediately following the Effective Time of the Merger, the Executive agrees that the full payment of the Employment Agreement Amount, as determined in accordance with Section 1.1 and Section 1.2, shall be in complete satisfaction of all rights to payments due to Executive under the Employment Agreement. Notwithstanding anything to the contrary contained herein, to the extent that the loyalty and confidentiality provisions in Section 10 of the Employment Agreement are not superseded by a separate written employment agreement by and between the Buyer, Buyer Bank and the Executive, these provisions shall survive termination of the Employment Agreement.
2. **Code Section 409A Compliance.** The intent of the parties is that payments under this Agreement either be exempt from or comply with Code Section 409A and the Treasury Regulations and guidance promulgated thereunder and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. To that end, Executive, Buyer, Seller, and Seller Bank agree that the payment described in Section 1 is intended to be excepted from compliance with Code Section 409A as a short-term deferral pursuant to Treasury Regulation Section 1.409A-1(b)(4).

3. **General.**

3.1 **Heirs, Successors, and Assigns.** The terms of this Agreement shall be binding upon the parties hereto and their respective heirs, successors, assigns and legal representatives.

3.2 **Final Agreement.** This Agreement represents the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior understandings, written or oral, except as set forth in a separate written employment agreement by and between Buyer, Buyer Bank and the Executive. The terms of this Agreement may be changed, modified, or discharged only by an instrument in writing signed by each of the parties hereto.

3.3 **Withholdings.** Seller, Seller Bank, Buyer, and Buyer Bank may withhold from any amounts payable under this Agreement such federal, state, or local taxes as may be required to be withheld pursuant to applicable law or regulation.

3.4 **Governing Law.** This Agreement shall be construed, enforced, and interpreted in accordance with and governed by the laws of the Commonwealth of Massachusetts, without reference to its principles of conflicts of law, except to the extent that federal law shall be deemed to preempt such state laws.

3.5 **Regulatory Limitations.** Notwithstanding any other provision of this Agreement, neither Buyer, Buyer Bank, Seller, nor Seller Bank shall be obligated to make, and Executive shall have no right to receive, any payment under this Agreement which would violate any law, regulation, or regulatory order applicable to Buyer, Buyer Bank, Seller, or Seller Bank, as applicable, at the time such payment is due, including, without limitation, Section 1828(k)(1) of Title 12 of the United States Code and any regulation or order thereunder of the Federal Deposit Insurance Corporation.

3.6 **Voluntary Action and Waiver.** The Executive acknowledges that by her free and voluntary act of signing below, the Executive agrees to all of the terms of this Agreement and intends to be legally bound thereby. The Executive acknowledges that she has been advised to consult with an attorney prior to executing this Agreement.

3.7 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.
4. **Effectiveness.** Notwithstanding anything to the contrary contained herein, this Agreement shall be subject to consummation of the Merger in accordance with the terms of the Merger Agreement, as the same may be amended by the parties thereto in accordance with its terms. In the event the Merger Agreement is terminated for any reason or the Merger does not occur, this Agreement shall be deemed null and void.

[SIGNATURE PAGE FOLLOWS]
IN WITNESS WHEREOF, Buyer, Buyer Bank, Seller, and Seller Bank have each caused this Agreement to be executed by their duly authorized officers, and the Executive has signed this Agreement, effective as of the date first above written.

EXECUTIVE:

/s/ Guida R. Sajdak
Guida R. Sajdak

CHICOPEE BANCORP, INC.

By: /s/ William J. Wagner
Name: William J. Wagner
Title: President and Chief Executive Officer

CHICOPEE SAVINGS BANK

By: /s/ William J. Wagner
Name: William J. Wagner
Title: President and Chief Executive Officer

WESTFIELD FINANCIAL, INC.

By: /s/ James C. Hagan
Name: James C. Hagan
Title: Chief Executive Officer and President

WESTFIELD BANK

By: /s/ James C. Hagan
Name: James C. Hagan
Title: Chief Executive Officer and President