

BROOKLINE BANCORP INC  
Form 10-Q  
May 06, 2009

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 0-23695

Brookline Bancorp, Inc.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation  
or organization)

04-3402944  
(I.R.S. Employer Identification No.)

160 Washington Street, Brookline, MA  
(Address of principal executive offices)

02447-0469  
(Zip Code)

(617) 730-3500  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act.

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Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
YES  NO

As of April 30, 2009, the number of shares of common stock, par value \$0.01 per share, outstanding was 59,030,686.

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BROOKLINE BANCORP, INC. AND SUBSIDIARIES  
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Part I - Financial Information  
Item 1. Financial Statements

BROOKLINE BANCORP, INC. AND SUBSIDIARIES  
Consolidated Balance Sheets  
(In thousands except share data)

	March 31, 2009	December 31, 2008 (unaudited)
<b>ASSETS</b>		
Cash and due from banks	\$ 16,696	\$ 22,270
Short-term investments	75,571	99,082
Securities available for sale	316,268	292,339
Securities held to maturity (market value of \$171 and \$171, respectively)	159	161
Restricted equity securities	36,335	36,335
Loans	2,124,251	2,105,551
Allowance for loan losses	(28,943)	(28,296)
Net loans	2,095,308	2,077,255
Accrued interest receivable	8,471	8,835
Bank premises and equipment, net	10,189	10,218
Deferred tax asset	12,995	13,328
Prepaid income taxes	-	193
Goodwill	43,241	43,241
Identified intangible assets, net of accumulated amortization of \$8,741 and \$8,369, respectively	4,211	4,583
Other assets	4,469	5,165
Total assets	\$ 2,623,913	\$ 2,613,005
<b>LIABILITIES AND EQUITY</b>		
Retail deposits	\$ 1,436,352	\$ 1,327,844
Brokered deposits	26,381	26,381
Borrowed funds	648,775	737,418
Mortgagors' escrow accounts	6,014	5,655
Income taxes payable	317	-
Accrued expenses and other liabilities	19,895	20,040
Total liabilities.	2,137,734	2,117,338
Equity:		
Brookline Bancorp, Inc. stockholders' equity:		
Preferred stock, \$0.01 par value; 50,000,000 shares authorized; none issued	-	-
Common stock, \$0.01 par value; 200,000,000 shares authorized; 64,280,809 shares and 63,746,942 shares issued, respectively	643	637
Additional paid-in capital	522,114	518,712
Retained earnings, partially restricted	24,634	38,092
	1,806	Total investment income (loss) per the Form 5500
Accumulated other comprehensive income		

\$  
(80,280,717  
)

#### Note 5 - Investments

The Fidelity MIP II Class 3 Fund, a commingled pool, is a stable value fund that may invest in investment contracts issued by insurance companies and other financial institutions, fixed income securities and money market funds. Prior to the adoption of Part I of ASU 2015-12, the Fidelity MIP II Class 3 Fund's indirect investment in fully benefit-responsive investment contracts was presented in the financial statements at fair value adjusted to contract value. With the adoption of ASU 2015-12 contract value is presented as fair value, which represents contributions made, plus earnings, less participant withdrawals and administrative expenses.

Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value during the term of the contract. There is no reserve against the contract value for credit risk of the contract issuer or otherwise. The investment contract and fixed income security commitments are backed solely by the financial resources of the issuer. If an event occurs that may impair the ability of the contract issuer to perform in accordance with the contract terms, fair value may be less than contract value. Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (i) amendments to the plan documents (including complete or partial termination or merger into an external plan); (ii) bankruptcy of the Plan sponsor or other Plan sponsor events (e.g. divestitures or spin-offs of a subsidiary) which cause a significant withdrawal from the plan. The Plan Administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable. The average yield based on actual earnings was approximately 2% at December 31, 2015 and 2014. The average yield based on interest credited to participants was approximately 2% at December 31, 2015 and 1% at December 31, 2014.

#### Note 6 - Fair Value Measurement

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value in three broad levels as follows:

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Level 1 – quoted prices in active markets for identical assets or liabilities

Level 2 – quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 – inputs that are unobservable (for example cash flow modeling inputs based on assumptions) and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following tables summarize investment assets measured at fair value at December 31, 2015 and 2014:

Investment Assets at Fair Value at December 31,  
 2015

	Level 1	Level 2	Level 3	Total
Mutual Funds	\$61,278,670	\$ —	—	—\$61,278,670
Self-Directed Brokerage Account	24,776,638	—	—	24,776,638
Praxair Common Stock Fund	305,399,819	—	—	305,399,819
Total Investments, at Fair Value	391,455,127	—	—	391,455,127
Common Trusts*				1,014,818,944
Total Fair Value Investments				\$1,406,274,071

Investment Assets at Fair Value at December 31,  
 2014

	Level 1	Level 2	Level 3	Total
Mutual Funds	63,304,637	—	—	63,304,637
Self-Directed Brokerage Account	18,592,520	—	—	18,592,520
Praxair Common Stock Fund	399,740,447	—	—	399,740,447
Total Investments, at Fair Value	481,637,604	—	—	481,637,604
Common Trusts*				1,059,067,729
Total Fair Value Investments				\$1,540,705,333

\* Common trusts are measured using the Net Asset Value ("NAV") as a practical expedient for fair value as permissible under ASC Topic 820 and have not been categorized in the fair value hierarchy in accordance with ASU 2015-07. Common trust NAVs are provided by the trustee and are determined by reference to the fair value of the underlying securities of the trust, less its liabilities, which are valued primarily through the use of directly or indirectly observable inputs. Depending on the common trust, underlying securities may include marketable equity securities with small, moderate, or large market capitalizations; international marketable equity securities and other investments; domestic fixed income securities; money market funds; or investment contracts issued by insurance companies and other financial institutions.

There are no plan liabilities required to be recorded at fair value at December 31, 2015 and 2014.

The following is a description of the valuation methodologies for the Plan assets measured at fair value. There have been no changes to the methodologies used at December 31, 2015 and 2014, nor were there any transfers between levels 1 and 2 during the year ended December 31, 2015.

Mutual Funds – This class primarily consists of publicly traded funds of registered investment companies. The mutual funds invest primarily in international marketable equity securities and in fixed income securities within the domestic market. The fair value of mutual fund investments is determined by reference to the fair value of the underlying securities of the mutual funds. The net asset value of the mutual fund’s shares is the closing price as quoted on the exchange where the fund is traded and, therefore, classified as Level 1 within the valuation hierarchy.

Self-Directed Brokerage Account – This investment option primarily consists of publicly traded funds of registered investment companies. The participants have the ability to invest in Fidelity managed mutual funds and non-Fidelity managed mutual funds available through Fidelity. The fair value of the self-directed brokerage account is determined by reference to the fair

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Praxair Retirement Savings Plan

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value of the underlying securities within the self-directed brokerage account. The underlying investments held in the self-directed brokerage account are valued at the closing price as quoted on the exchange where the underlying securities are traded and are therefore classified as Level 1 within the valuation hierarchy.

Praxair Common Stock Fund – The Praxair Common Stock Fund is an employer stock unitized fund. The fund consists of Praxair, Inc. common stock and a short-term cash component, which provides liquidity for daily trading. Praxair, Inc. common stock is valued at the quoted closing market price from a national securities exchange and the short term cash investments are valued at cost, which approximates fair value. The Praxair Common Stock Fund is classified as Level 1 within the valuation hierarchy.

Note 7 - Tax Status

The IRS determined and informed the Company by a letter dated August 21, 2014 that the Plan and related trust were designed in accordance with applicable sections of the Code. Although the Plan has been amended since the date it was submitted to the IRS, the Plan Administrator and counsel believe that in design and operation, the Plan continues to operate in accordance with applicable law.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by federal, state and/or local taxing authorities. The Administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 8 - Plan Expenses

Fees incurred by the Plan for investment management services are included in the net depreciation in the fair value of investments. Administrative fees are paid by the Plan in accordance with Plan provisions and are allocated to participants with account balances in the Plan. Plan participants are charged a rate of 0.02% of their account balance on a monthly basis. The fees generated from the 0.02% rate, accumulated in and paid out of the Fidelity MIP II Class 3 Fund, are intended to cover all administrative expenses incurred by the Plan. To the extent deductions from participant accounts were insufficient to cover the total cost of the Plan, the difference would be paid by the Company. No plan expenses were paid by the Company during 2015.

Note 9 - Transfers in from Other Plans

The amount reflected in the Statement of Changes in Net Assets Available for Benefits represents the balance of participants that were transferred into the Plan during the Plan year, through a plan merger, from the TAFA Incorporated 401(k) and Profit Sharing Plan.

Note 10 - Parties-in-Interest Transactions

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the trustee as defined by the Plan; therefore, these transactions qualify as party-in-interest transactions. Certain Plan investments include shares of common stock of Praxair, Inc., the Plan Sponsor; therefore, these transactions qualify as party-in-interest transactions. Loans to participants also qualify as party-in-interest transactions.

Note 11 - Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan's provisions to terminate the Plan at its sole discretion. Upon such termination, the net assets of the Plan will be distributed or sold exclusively for the benefit of the participants (or their beneficiaries).

Note 12 - Subsequent Events



Subsequent events have been evaluated through the date the financial statements were issued.

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## Praxair Retirement Savings Plan

EIN: 06-1249050, Plan Number: 334

Schedule H, line 4i – Schedule of Assets (Held at End of Year)

as of December 31, 2015

(b) (a) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) (e) Cost Current value
* Praxair Common Stock Fund	Praxair Common Stock Fund	** \$305,399,819
* Fidelity MIP II Class 3 Fund	Common Trust	** 243,299,236
Northern Trust S&P 500 Index	Common Trust	** 134,676,329
BlackRock Lifepath Index 2025	Common Trust	** 120,482,635
BlackRock Lifepath Index 2020	Common Trust	** 102,807,528
BlackRock Lifepath Index 2030	Common Trust	** 90,331,671
BlackRock Lifepath Index 2035	Common Trust	** 62,471,043
Vanguard Total Bond Market Index Institutional Plus	Mutual Fund	** 55,392,929
BlackRock Lifepath Index Retirement	Common Trust	** 42,527,104
BlackRock Lifepath Index 2040	Common Trust	** 41,055,456
State Street Global Advisors Russell Small / Mid Cap Index Fund	Common Trust	** 39,058,583
BlackRock Russell 1000 Growth Index	Common Trust	** 35,362,102
* BrokerageLink	Self-Directed Brokerage Account	** 24,776,638
BlackRock MSCI EAFE Equity Index	Common Trust	** 24,563,862
BlackRock Lifepath Index 2045	Common Trust	** 24,477,665
BlackRock Russell 1000 Value Index	Common Trust	** 21,664,426
BlackRock Lifepath Index 2050	Common Trust	** 15,841,534
BlackRock Emerging Markets Index	Common Trust	** 8,572,243
BlackRock Lifepath Index 2055	Common Trust	** 7,425,441
Vanguard Total International Bond Index AD	Mutual Fund	** 5,885,741
BlackRock Lifepath Index 2060	Common Trust	** 202,086
Total investments, at fair value		1,406,274,071
* Notes receivable from participants	Rates ranging 2.25% to 9.4%; maturities through 2046	41,821,520
Total investments, at fair value and notes receivable from participants		\$1,448,095,591

\*Party-in-interest as defined by ERISA

\*\*Cost information is not required for participant directed investments and, therefore, is not included



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Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrator of the Plan has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

Praxair Retirement Savings Plan

Date: June 27, 2016    By: /s/ Matthew J. White  
Matthew J. White,  
Chairman of the Administration and Investment  
Committee for the Praxair Retirement Savings Plan

(On behalf of the Plan)

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Exhibit No. Description

23.01 Consent of Independent Registered Public Accounting Firm

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