INDEPENDENT BANK CORP
Form S-4/A
June 14, 2016
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As filed with the Securities and Exchange Commission on June 14, 2016.

File No. 333-211215

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1

To

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

INDEPENDENT BANK CORP.

(Exact name of registrant as specified in its charter)

Massachusetts	**6022**	**04-2870273**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(IRS Employer Identification Number)**

Office Address: 2036 Washington Street, Hanover, Massachusetts 02339

Mailing Address: 288 Union Street, Rockland, Massachusetts 02370

(781) 878-6100

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Edward H. Seksay, Esq.

General Counsel

Independent Bank Corp.

2036 Washington Street, Hanover, Massachusetts 02339

(781) 982-6158

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

Michael T. Rave, Esq.	**Scott Brown, Esq.**
Day Pitney LLP	**Luse Gorman, PC**
One Jefferson Road	**5335 Wisconsin Avenue, NW, Suite 780**
Parsippany, NJ 07054	**Washington, DC 20015**
(973) 966-6300	**(202) 274-2000**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this Registration Statement and the completion of the arrangement as described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the Securities Act), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the Exchange Act). (Check one):

Large accelerated filer x	Accelerated filer ¨
Non-accelerated filer ¨ (Do not check if a smaller reporting company)	Smaller reporting company ¨

If applicable, place and X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ¨

Exchange Act Rule 14d-1(d) (Cross-Border Third Party Tender Offer) ¨

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed Maximum offering price per share	Proposed maximum aggregate offering price(2)	Amount of registration fee
Common Stock, $0.01 par value per share	755,664	N/A	$6,362,691	$640.72(3)

(1) Represents the maximum number of shares of Independent Bank Corp. (NasdaqGSM: INDB) common stock (Independent common stock) estimated to be issuable upon the consummation of the merger of New England Bancorp, Inc. with and into Independent Bank Corp., based on the following calculation: (a) the estimated maximum number of shares of New England Bancorp, Inc. common stock, $0.01 par value per share (the NEB common stock) expected to be exchanged in connection with the merger (calculated as outstanding shares as of April 30, 2016 plus (i) shares underlying unexercised options all of which are vested, (ii) shares underlying unexercised warrants, all of which are vested, and (iii) shares reserved for issuance pursuant to New England Bancorp, Inc. s 5.00% convertible subordinated debentures due November 15, 2035) multiplied by (b) the exchange ratio of 0.25 of a share. Pursuant to Rule 416, this Registration Statement also covers an indeterminate number of shares of Independent Bank Corp. common stock as may become issuable as a result of stock splits, stock dividends or similar transactions.

(2) Pursuant to Rule 457(f) under the Securities Act, and solely for purposes of calculating the registration fee, the proposed maximum aggregate offering price is based upon the estimated maximum number of shares of NEB Common Stock expected to be exchanged in connection with the merger multiplied by the book value per share of NEB Common Stock as of April 30, 2016.

(3) Previously paid in connection with the filing of the initial Registration Statement.

The Registrant amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information contained in this proxy statement/prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This proxy statement/prospectus is not an offer to sell these securities, and is not soliciting an offer to buy these securities, nor shall there be any sale of these securities, in any jurisdiction where such offer, solicitation, or sale is not permitted or would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Dear New England Bancorp, Inc. Shareholders:

You are cordially invited to attend a special meeting of shareholders of New England Bancorp, Inc. (NEB) to be held at 10:00 a.m., local time, on July 27, 2016 at The Cape Codder Resort and Spa, 1225 Iyannough Road, Hyannis, Massachusetts. At the special meeting, you will be asked to consider and vote upon a proposal to approve an agreement and plan of merger that provides for NEB to merge with and into Independent Bank Corp. (Independent), as well as to vote upon a proposal to authorize the board of directors of NEB to adjourn the special meeting, if necessary, to permit further solicitation of proxies on the proposal to approve the agreement and plan of merger or to vote on other matters properly before the special meeting.

If the proposed merger is completed, NEB s shareholders will receive 0.25 of a share of Independent common stock in exchange for each share of NEB common stock in accordance with the terms and conditions of the merger agreement. NEB s common stock is not listed on any stock exchange or the over-the-counter marketplace. Independent s common stock is listed on the NASDAQ Global Select Market under the trading symbol INDB and the closing sales prices of Independent common stock on June 10, 2016, the last practicable trading day prior to the mailing of this document, was $47.77. The equivalent value of the stock consideration to be paid in the merger for each share of NEB common stock, calculated by multiplying the June 10, 2016 closing price of Independent common stock by the 0.25 exchange ratio, would be $11.94. The market price for Independent common stock will fluctuate prior to the merger. We urge you to obtain current market quotations for Independent common stock.

If the market price of Independent common stock falls substantially, both in absolute terms (that is, a volume weighted average trading price below $36.939) and by comparison to the list of banks that comprise the Nasdaq Bank Index, NEB may terminate the merger agreement. However, if NEB seeks to exercise this termination right, Independent has the right to negate such termination by increasing the exchange ratio from 0.25 to a formula amount determined in accordance with the merger agreement, as described in this proxy statement and prospectus.

Independent and NEB cannot complete the proposed merger unless NEB s shareholders approve the merger agreement and the merger at the special meeting. This letter is accompanied by NEB s proxy statement, which NEB is providing to solicit your proxy to vote for approval of the merger agreement and the merger at the meeting. The accompanying document is also being delivered to NEB s shareholders as Independent s prospectus for its offering of Independent common stock to NEB s shareholders in the merger.

NEB s board of directors has unanimously recommended that you vote FOR approval of the merger agreement and the transactions contemplated by the merger agreement, including the merger, at the special meeting and FOR approval of the authorization of the board of directors of NEB to adjourn the special meeting, if necessary, to permit further solicitation of proxies on the proposal to approve the agreement and plan of merger and to vote on other matters properly before the special meeting.

This proxy statement/prospectus provides you with detailed information about the proposed merger. It also contains or references information about Independent and NEB and related matters. You are encouraged to read this document carefully. In particular, you should read the Risk Factors section beginning on page 13 for a discussion of the risks you should consider in evaluating the proposed merger and how it will affect you.

Your vote is very important. Approval of the NEB merger agreement proposal will require the affirmative vote of the holders of at least two-thirds of the outstanding shares of NEB common stock entitled to vote. Whether you plan to attend the special meeting, please take the time to vote by completing and mailing the enclosed proxy card. You may also vote by telephone or Internet as indicated on the proxy card. If you do not vote in person or by proxy, it will have the same effect as a vote against the proposal to approve the merger.

Sincerely,

Timothy T. Telman

President and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the proposed merger, the issuance of Independent common stock to be issued in connection with the merger or the other transactions described in this proxy statement/prospectus, or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares of Independent common stock are not savings accounts, deposits or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or by any other federal or state governmental agency.

This proxy statement/prospectus is dated [ ], 2016 and is first being mailed or otherwise delivered to shareholders of NEB on or about [ ], 2016.

NEW ENGLAND BANCORP, INC.

1582 Iyannough Road

Hyannis, Massachusetts 02601

(508) 568-2300

Notice of Special Meeting of Shareholders

to be held July 27, 2016

To the shareholders of New England Bancorp, Inc.:

A special meeting of shareholders of New England Bancorp, Inc. (NEB) will be held at 10:00 a.m., local time, on July 27, 2016 at The Cape Codder Resort and Spa, 1225 Iyannough Road, Hyannis, Massachusetts. Any adjournments or postponements of the special meeting will be held at the same location.

The purpose of the special meeting is to:

1. Approve the Agreement and Plan of Merger, dated as of March 17, 2016 (the merger agreement), by and among Independent Bank Corp. (Independent), Rockland Trust Company, NEB and Bank of Cape Cod, and to approve the transactions contemplated by the merger agreement, including the merger of NEB with and into Independent (the merger); and

2. Authorize the board of directors of NEB to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies in favor of the NEB merger agreement proposal or to vote on other matters properly before the special meeting.

You may vote at the special meeting if you were a shareholder of record at the close of business on June 10, 2016.

The NEB board of directors unanimously recommends that you vote FOR approval of the merger agreement and the transactions contemplated by the merger agreement, including the merger, and FOR approval of the authorization of the board of directors of NEB to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies in favor of the NEB merger agreement proposal or to vote on other matters properly before the special meeting.

Under the provisions of the Massachusetts Business Corporation Act, as amended, the holders of NEB common stock are entitled to dissenters rights of appraisal in connection with the merger.

Your vote is very important. Your vote is important regardless of how many shares you own. Whether you plan to attend the special meeting, please promptly vote your shares. Voting procedures are described in the accompanying proxy statement/prospectus and on the proxy card.

By Order of the Board of Directors,

Mark G. Sexton

Corporate Secretary

IF YOU HAVE ANY QUESTIONS ABOUT VOTING YOUR SHARES, PLEASE CALL LAUREL HILL ADVISORY GROUP, LLC

AT (888) 742-1305.

REFERENCE TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Independent from other documents that are not included in, or delivered with, this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. We have listed the documents containing this information on page 91 of this proxy statement/prospectus. You can obtain copies of these documents incorporated by reference in this document through the Securities and Exchange Commission s website at http://www.sec.gov or by requesting them in writing or by telephone from Independent at the following address:

For business and financial information about Independent, please contact:

Independent Bank Corp.

288 Union Street

Rockland, Massachusetts 02370

Attention: Edward H. Seksay, General Counsel

(781) 982-6158

If you would like to request documents, you must do so no later than July 20, 2016 in order to receive them before NEB s special meeting. You will not be charged for any of these documents that you request.

For additional information regarding where you can find information about Independent and NEB, please see the section entitled Where You Can Find More Information beginning on page 90 of this proxy statement/prospectus. The information contained in this proxy statement/prospectus with respect to Independent and its subsidiaries was provided by Independent and the information contained in this proxy statement/prospectus with respect to NEB and its subsidiaries was provided by NEB.

For information on submitting your proxy, please refer to the instructions on the enclosed proxy card.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

AND THE MEETING OF NEB S SHAREHOLDERS

Q. Why am I receiving this document?

A. Independent and NEB have agreed to the acquisition of NEB by Independent under the terms of a merger agreement that is described in this document, a copy of which is attached as Annex A. In order to complete the merger, NEB s shareholders must approve the merger agreement and the merger. NEB will hold a special meeting of its shareholders to obtain this approval. This document contains important information about the merger, the shares of Independent common stock to be issued in connection with the merger, the merger agreement and other related matters, and you should read it carefully. The enclosed voting materials for the NEB special meeting allow you to vote your shares of common stock without attending the special meeting.

Q. What will happen to NEB and Bank of Cape Cod as a result of the merger?

A. If the merger is completed, NEB will merge with and into Independent and Independent will be the surviving entity. Immediately following the merger, Bank of Cape Cod, the wholly owned subsidiary of NEB, will merge with and into Rockland Trust Company, the wholly owned subsidiary of Independent, and Rockland Trust Company will be the surviving entity.

Q. What will NEB s shareholders and holders of NEB options receive in the merger?

A. NEB s shareholders will be entitled to receive in the merger 0.25 of a share of Independent common stock for each share of NEB common stock they own.

Independent s common stock is listed on the NASDAQ Global Select Market under the trading symbol INDB. Independent will not issue fractional shares of its common stock in the merger, but will instead pay cash for any fractional shares at a price determined by the volume weighted average trading price of Independent common stock on the NASDAQ Global Select Market for the five trading days ending on the fifth trading day immediately preceding the closing date of the merger, which is referred to herein as the Closing VWAP.

Each holder of an option to purchase NEB common stock that is outstanding at the effective time of the merger will receive, upon consummation of the transaction, a cash payment in settlement of the NEB option equal to the product of (i) the number of shares of NEB common stock provided for by such option and (ii) the excess, if any, of the Closing VWAP multiplied by the exchange ratio of 0.25 over the exercise price of such option.

All unvested shares of restricted NEB common stock will vest in full immediately prior to the effective time of the merger and will be treated as outstanding NEB shares for all purposes under the merger agreement, including the holders right to receive the merger consideration.

Q. I hold a warrant issued by NEB. How will it be treated?

A. Under the merger agreement, each holder of a warrant to purchase NEB common stock will receive, upon consummation of the transaction, a cash payment in settlement of the NEB warrant equal to the product of (i) the number of shares of NEB common stock provided for by such warrant and (ii) the excess, if any, of the Closing VWAP multiplied by the exchange ratio of 0.25 over the exercise price of such warrant.

If an NEB warrant holder exercises all or a portion of its warrant prior to the maturity date of the warrant, the NEB warrant holder will be entitled to purchase such number of shares of NEB common stock

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underlying such portion of the warrant. Each share of NEB common stock acquired through the exercise of warrants will then be exchanged in the merger for 0.25 of a share of Independent common stock.

Q. I hold a convertible subordinated note issued by NEB. How will it be treated?

A. If a holder of a convertible subordinated note issued by NEB exercises its right to convert all or a portion of such convertible subordinated note prior to the closing of the merger, such holder will be entitled to acquire such number of shares of NEB common stock underlying such portion of the convertible subordinated note. Each share of NEB common stock acquired through the conversion of the convertible subordinated note will then be exchanged in the merger for 0.25 of a share of Independent common stock.

To the extent that the convertible subordinated notes are not redeemed on or prior to the effective time of the merger, those convertible subordinated notes will be assumed by Independent pursuant to the terms of the notes.

Q. Are NEB shareholders entitled to dissenters rights?

A. Yes. Massachusetts law affords for dissenters rights to NEB shareholders in connection with the merger. Please see the section Dissenters Rights of Appraisal on page 34.

Q. When will the merger be completed?

A. The merger will be completed when all of the conditions to completion contained in the merger agreement are satisfied or waived, including obtaining required regulatory approvals and the approval of the merger agreement and the merger by NEB shareholders. We currently expect to complete the merger during the fourth quarter of 2016. However, because fulfillment of some of the conditions to completion of the merger, such as receiving required regulatory approvals, are not entirely within our control, we cannot predict the actual timing.

Q. Should NEB s shareholders send in their stock certificates now?

A. No, NEB s shareholders should not send in any stock certificates now. If the merger is approved at the special meeting, Independent will send NEB s shareholders written instructions following the closing of the merger on how to exchange their stock certificates for the merger consideration.

Q. What are the material U.S. federal income tax consequences of the merger to me?

A. The merger is intended to qualify, and the obligation of the parties to complete the merger is conditioned upon the receipt of a legal opinion from their counsel to the effect that the merger will qualify, as a reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended, which is referred to herein as the Code. The tax consequences of the merger to NEB s shareholders are that they should not recognize gain or loss except with respect to any cash they receive in lieu of receiving a fractional share of Independent common stock. See Material U.S. Federal Income Tax Consequences of the Merger beginning on page 77.

Q. Are there any risks that I should consider in deciding whether to vote for approval of the merger?

A. Yes. You should read and carefully consider the risk factors set forth in the section in this document titled Risk Factors beginning on page 13.

Q. When and where will NEB s shareholders meet?

A. NEB will hold its special meeting of shareholders on July 27, 2016 at 10:00 a.m., local time, at The Cape Codder Resort and Spa located at 1225 Iyannough Road, Hyannis, Massachusetts.

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Q. What matters are NEB s shareholders being asked to approve at the NEB special meeting pursuant to this proxy statement/prospectus?

A. NEB s shareholders are being asked to approve the merger agreement and the transactions contemplated by the merger agreement, including the merger. We refer to this proposal as the NEB merger agreement proposal.

NEB s shareholders are also being asked to authorize the board of directors of NEB to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies in favor of the NEB merger agreement proposal or to vote on other matters properly before the special meeting. We refer to this proposal as the NEB adjournment proposal.

Q. What does NEB s board of directors recommend with respect to the two proposals?

A. NEB s board of directors has unanimously approved the merger agreement and determined that the merger agreement and the merger are fair to, advisable and in the best interests of NEB and its shareholders and unanimously recommends that NEB s shareholders vote FOR the NEB merger agreement proposal.

NEB s board of directors also unanimously recommends that NEB s shareholders vote FOR approval of the NEB adjournment proposal.

Q. Who can vote at the NEB special meeting of shareholders?

A. Only holders of record of NEB common stock at the close of business on June 10, 2016, which is the record date for the NEB special meeting of shareholders, are entitled to vote at the special meeting.

Q. How many votes must be represented in person or by proxy at the NEB special meeting to have a quorum?

A. The holders of a majority of the shares of NEB common stock outstanding and entitled to vote at the special meeting of shareholders, present in person or represented by proxy, will constitute a quorum at the special meeting.

Q. What vote by NEB s shareholders is required to approve the NEB special meeting proposals?

A. Assuming a quorum is present at the NEB special meeting of shareholders, approval of the NEB merger agreement proposal will require the affirmative vote of the holders of at least two-thirds of the shares of NEB common stock entitled to vote. Abstentions and broker non-votes will have the same effect as shares voted against the NEB merger agreement proposal.

Assuming a quorum is present at the NEB special meeting, approval of the NEB adjournment proposal will require the affirmative vote of a majority of the shares voted on the NEB adjournment proposal. Abstentions and broker non-votes will not affect whether the NEB adjournment proposal is approved.

Q. Are any NEB shareholders already committed to vote in favor of any of the special meeting proposals?

A. Under voting agreements with Independent, each of NEB s directors and certain of NEB s executive officers, solely in his or her capacity as a shareholder, has agreed to vote all of his or her beneficially owned NEB common stock in favor of the NEB merger agreement proposal. As of the record date for the NEB special meeting of shareholders, the NEB shareholders who are parties to the NEB voting agreements collectively owned beneficially approximately 17.8% of the NEB common stock entitled to vote at the special meeting.

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Q. How may the NEB shareholders vote their shares for the special meeting proposals presented in this proxy statement/prospectus?

A. NEB shareholders may submit their proxies by:

- signing and dating the enclosed proxy card and mailing it in the enclosed, prepaid and addressed envelope;
- calling toll-free (800) 652-8683 and following the instructions; or
- accessing the web page at www.investorvote.com/NEB and following the on-screen instructions.

Proxies submitted through the Internet or by telephone must be received by 2:00 a.m., Eastern Time, on July 27, 2016.

Q. Will a broker or bank holding shares in street name for a NEB shareholder vote those shares for the shareholder at the NEB special meeting?

A. A broker or bank will not be able to vote your shares at the special meeting without first receiving instructions from you on how to vote. If your shares are held in street name, you will receive separate voting instructions, provided by your broker or bank, with your proxy materials. It is therefore important that you provide timely instructions to your broker or bank to ensure that all of the NEB common stock you own is voted at the special meeting.

Q. Will NEB shareholders be able to vote their shares in person at the NEB special meeting?

A. Yes. Submitting a proxy will not affect the right of any NEB shareholder to vote in person at the special meeting of shareholders. If an NEB shareholder holds shares in street name, the shareholder must request a proxy from the shareholder s broker or bank in order to vote those shares in person at the special meeting.

Q. What do NEB shareholders need to do now?

A. After carefully reading and considering the information contained in this proxy statement/prospectus, NEB shareholders are requested to complete and return their proxies as soon as possible or vote via telephone or the Internet. The proxy card will instruct the persons named on the proxy card to vote the shareholder s NEB shares at the special meeting as the shareholder directs. If a shareholder signs, dates and sends in a proxy card and does not indicate how the shareholder wishes to vote, the proxy will be voted FOR both of the special meeting proposals.

Q. May an NEB shareholder change such shareholder s vote after submitting a proxy?

A. Yes. An NEB shareholder may change a vote at any time before the shareholder s proxy is voted at the NEB special meeting. A proxy submitted through the Internet or by telephone may be revoked by executing a later-dated proxy card, by subsequently submitting a proxy through the Internet or by telephone, or by attending the special meeting and voting in person. A shareholder executing a proxy card also may revoke the proxy at any time before it is voted by giving written notice revoking the proxy to NEB s Corporate Secretary, by subsequently filing another proxy card bearing a later date or by attending the special meeting and voting in person. Attending the special meeting will not automatically revoke a shareholder s prior submission of a proxy (by Internet, telephone or in writing). All written notices of revocation or other communications with respect to revocation of proxies should be addressed to:

New England Bancorp, Inc.

1582 Iyannough Road, Hyannis, Massachusetts 02601

Attention: Mark G. Sexton, Corporate Secretary

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Q. If I am an NEB shareholder, who can help answer my questions?

A. If you have any questions about the merger or the special meeting, or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card, you should contact NEB s proxy solicitor, at the following address or phone number:

Laurel Hill Advisory Group, LLC

2 Robbins Lane, Suite 201

Jericho, New York 11753

(888) 742-1305

Q. Where can I find more information about the companies?

A. You can find more information about Independent and NEB from the various sources described under the section of this document titled Where You Can Find More Information beginning on page 90.

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SUMMARY

This summary highlights selected information from this document and may not contain all of the information that is important to you. You should carefully read this entire document and the other documents to which this document refers to fully understand the merger and the related transactions. See Where You Can Find More Information beginning on page 90 of this document. Most items in this summary include a page reference directing you to a more complete description of those items.

Unless the context otherwise requires, throughout this document, Independent refers to Independent Bank Corp., NEB refers to New England Bancorp, Inc., Rockland Trust refers to Rockland Trust Company; and we, us and our refers to Independent and NEB. Also, we refer to the merger between Independent and NEB as the merger, and the Agreement and Plan of Merger, dated as of March 17, 2016, by and among Independent, Rockland Trust, NEB and Bank of Cape Cod as the merger agreement.

The Companies (see page 80)

Independent

Independent is a state chartered bank holding company headquartered in Rockland, Massachusetts that was incorporated under Massachusetts law in 1985. Independent is the sole shareholder of Rockland Trust, a Massachusetts trust company chartered in 1907. Through its subsidiary, Rockland Trust, Independent offers a full range of banking services through a network of 84 bank branches in eastern Massachusetts and its commercial lending centers and investment management offices in eastern Massachusetts and Providence, Rhode Island. Rockland Trust provides investment management and trust services to individuals, institutions, small businesses and charitable institutions throughout eastern Massachusetts and Rhode Island.

At March 31, 2016, Independent had total consolidated assets of approximately $7.2 billion, net loans of approximately $5.5 billion, total deposits of approximately $6.0 billion and total shareholders equity of approximately $788.1 million.

Independent Bank Corp.

288 Union Street

Rockland, Massachusetts 02370

(781) 878-6100

NEB

NEB was incorporated under Massachusetts law in 2010 to become the holding company of Bank of Cape Cod, a Massachusetts-chartered commercial bank. Headquartered in Hyannis, Massachusetts, NEB operates its business from four banking offices: two located in Hyannis, one located in Osterville and one located in Falmouth. NEB provides a variety of financial services to individuals and small businesses primarily in the form of various deposit products and residential mortgages and commercial loans.

At March 31, 2016, NEB had total consolidated assets of $259.4 million, net loans of $230.7 million, total deposits of $207.8 million and total shareholders equity of $26.3 million.

New England Bancorp, Inc.

1582 Iyannough Road

Hyannis, Massachusetts 02601

(508) 568-2300

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The Merger and the Merger Agreement (see pages 38 and 60)

The terms and conditions of the merger are contained in the merger agreement, which is attached as Annex A to this proxy statement/prospectus. Please carefully read the merger agreement, as it is the legal document that governs the merger. Under the terms of the merger agreement, NEB will merge with and into Independent and Independent will survive the merger.

The Special Meeting of NEB Shareholders; Required Vote (see page 32)

NEB will hold a special meeting of shareholders at The Cape Codder Resort and Spa, located at 1225 Iyannough Road, Hyannis, Massachusetts on July 27, 2016 at 10:00 a.m., local time. NEB s shareholders will be asked to:

- approve the merger agreement and the transactions it contemplates, including the merger; and
- authorize the board of directors of NEB to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies in favor of the NEB merger agreement proposal or to vote on other matters properly before the special meeting.

You can vote at the NEB special meeting if you owned NEB common stock at the close of business on June 10, 2016. On that date, there were 2,640,738 shares of NEB common stock entitled to vote, approximately 17.8% of which were owned and entitled to be voted by NEB directors and executive officers. You can cast one vote for each share of NEB common stock you owned on that date. In order to approve the merger agreement and the transactions it contemplates, the holders of at least two-thirds of the shares of NEB common stock entitled to vote must vote in favor of the NEB merger agreement proposal.

What Holders of NEB Common Stock Will Receive in the Merger (see page 60)

Upon completion of the merger, each share of NEB common stock will be converted into the right to receive 0.25 of a share of Independent common stock.

What Holders of NEB Stock Options and Restricted Stock Will Receive in the Merger (see page 61)

All outstanding unvested NEB stock options and restricted shares of NEB common stock will become fully vested immediately prior to the effective time of the merger. NEB options will be cancelled upon consummation of the merger, and each option holder will receive a cash payment equal to the product of (i) the number of shares of NEB common stock provided for by such option and (ii) the excess, if any, of the Closing VWAP multiplied by the exchange ratio of 0.25 over the exercise price of such option. All shares of restricted stock will be treated as outstanding NEB shares for all purposes under the merger agreement, including the holders right to receive the merger consideration.

What Holders of NEB Warrants Will Receive in the Merger (see page 61)

All outstanding NEB warrants will be cancelled upon consummation of the merger, and each warrant holder will receive a cash payment upon such cancellation in an amount equal to the product of (i) the number of shares of NEB common stock provided for by such warrant and (ii) the excess, if any, of the product of the Closing VWAP multiplied by the exchange ratio over the exercise price of the warrant.

Dividend Policy of Independent; Dividends from NEB (see page 26)

The holders of Independent common stock receive dividends as and when declared by Independent s board of directors. Independent declared a cash dividend of $0.29 per share of common stock in the first quarter of 2016, cash dividends of $0.26 per share of common stock for each quarter of 2015 and cash dividends of $0.24

per share of common stock for each quarter of 2014. After completion of the merger, the timing and amount of the payment of dividends will be at the discretion of Independent s board of directors and will be determined after consideration of various factors, including level of earnings, cash requirements and financial condition.

NEB has never declared and paid any cash dividends to the holders of NEB common stock. In addition, the merger agreement prohibits NEB from declaring or paying any dividends to the holders of NEB common stock without the prior written consent of Independent, which may be withheld for any reason by Independent in its sole discretion.

Fairness Opinion Rendered to the NEB Board of Directors (see pages 46 and B-1)

Piper Jaffray & Co. (Piper Jaffray) has provided an opinion to NEB s board of directors, dated March 17, 2016, to the effect that, as of that date and based upon and subject to the factors and assumptions set forth in the opinion, the merger consideration was fair, from a financial point of view, to the holders of NEB common stock. The full text of Piper Jaffray s opinion is attached to this proxy statement/prospectus as Annex B, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Piper Jaffray in connection with its opinion. We urge you to read the opinion in its entirety. Piper Jaffray s opinion is addressed to NEB s board of directors, is directed only to the fairness, from a financial point of view, of the merger consideration to the holders of NEB common stock and does not constitute a recommendation to any shareholder as to how that shareholder should vote on the merger agreement. Pursuant to an engagement letter between NEB and Piper Jaffray, NEB has paid a fee to Piper Jaffray for rendering its opinion and has agreed to pay Piper Jaffray a transaction fee, which is payable only upon completion of the merger.

Recommendation of NEB s Board of Directors (see pages 32 and 43)

NEB s board of directors has unanimously determined that the merger agreement and the merger are advisable and in the best interests of NEB and its shareholders and, accordingly, unanimously recommends that NEB s shareholders vote FOR the NEB merger agreement proposal and FOR the NEB adjournment proposal.

NEB s Reasons for the Merger (see page 43)

In determining whether to approve the merger agreement, NEB s board of directors consulted with certain of its senior management and with its legal and financial advisers. In arriving at its determination, NEB s board of directors also considered the factors described under The Merger Reasons for the Merger.

Interests of NEB s Executive Officers and Directors in the Merger (see page 55)

Some of the directors and executive officers of NEB have financial interests in the merger that are different from, or in addition to, the interests of NEB s other shareholders generally. These interests include rights of executive officers under their existing change in control agreements, which are being provided through settlement agreements executed in connection with the merger agreement; rights under consulting and non-competition agreements executed in connection with the merger agreement; rights under new employment letter agreements with Rockland Trust executed in connection with the merger agreement; rights under NEB s equity-based benefit programs and awards, including the acceleration of vesting of stock options or restricted stock; and rights to continued indemnification and insurance coverage by Independent after the merger for acts and omissions occurring before the merger.

The boards of directors of Independent and NEB were aware of these interests and considered them, among other matters, in approving the merger agreement and related transactions.

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NEB s Directors and Certain of NEB s Executive Officers Have Agreed to Vote in Favor of the Merger Agreement (see page 33)

On the record date of June 10, 2016, the directors of NEB and certain of NEB s executive officers had sole or shared beneficial ownership of 469,378 shares, or approximately 17.8% of the outstanding shares of NEB common stock. Each of these directors and officers has agreed with Independent to vote his or her shares of NEB common stock in favor of the merger agreement and the transactions it contemplates.

Approval by Independent s Board of Directors and Reasons for the Merger (see page 45)

Independent s board of directors has unanimously approved and adopted the merger agreement.

In determining whether to approve the merger agreement, Independent s board of directors consulted with certain of its senior management and with its legal and financial advisers. In arriving at its determination, Independent s board of directors also considered the factors described under The Merger Approval by Independent s Board of Directors and Reasons for the Merger.

Non-Solicitation (see page 68)

NEB has agreed that it will not solicit or encourage any inquiries or proposals regarding any acquisition proposals by third parties. NEB may respond to unsolicited proposals in certain circumstances if required by NEB s board of directors fiduciary duties. NEB must promptly notify Independent if it receives any acquisition proposals.

Conditions to Complete the Merger (see page 70)

Each of Independent s and NEB s obligations to complete the merger is subject to the satisfaction or waiver to the extent legally permitted of a number of mutual conditions, including:

- the approval of the merger agreement and the transactions it contemplates, including the merger, by NEB s shareholders at the NEB special meeting described in this proxy statement/prospectus;

- the receipt of all regulatory approvals and consents (none of which shall contain a burdensome condition, as defined in the merger agreement), and the expiration of all waiting periods required to complete the merger;

- the effectiveness of the registration statement with respect to the Independent common stock to be issued in the merger under the Securities Act of 1933, as amended, and the absence of any stop order or proceedings initiated or threatened by the Securities and Exchange Commission for that purpose; and

- the absence of any statute, regulation, rule, decree, injunction or other order in effect by any court or other governmental entity that prohibits completion of the transactions contemplated by the merger agreement.

Each of Independent s and NEB s obligations to complete the merger is also separately subject to the satisfaction or waiver (except for the condition set forth in the first bullet below, which may not be waived in any circumstance) of a number of conditions, including:

the receipt by the party of a legal opinion from its counsel with respect to certain U.S. federal income tax consequences of the merger; and

the other party s representations and warranties in the merger agreement being true and correct, in all material respects, and the performance by the other party in all material respects of its obligations under the merger agreement.

NEB s obligation to complete the merger is also subject to the condition that the shares of Independent s common stock to be issued in the merger be listed on Nasdaq.

Independent s obligation to complete the merger is further subject to the conditions that the number of outstanding shares of NEB common stock shall not exceed 2,640,738, except to the extent increased as a result of the exercise of stock options or warrants or the conversion of NEB s convertible debt, and that the holders of no more than ten percent (10%) of the outstanding shares of NEB common stock will have taken the actions required under Massachusetts law to qualify their NEB common stock as dissenters shares.

Termination of the Merger Agreement (see page 71)

Independent and NEB may mutually agree at any time to terminate the merger agreement without completing the merger, even if NEB shareholders have approved the merger. Also, either Independent or NEB can terminate the merger agreement in various circumstances, including the following:

- if any regulatory approval necessary for consummation of the transactions contemplated by the merger agreement is not obtained;
- if the merger is not completed by January 31, 2017;
- if the other party breaches the merger agreement in a way that would entitle the party seeking to terminate the merger agreement not to consummate the merger, subject to the right of the breaching party to cure the breach within 30 days following written notice (unless it is not possible due to the nature or timing of the breach for the breaching party to cure the breach); or
- if NEB shareholders do not approve the merger agreement and the transactions it contemplates.

Additionally, Independent may terminate the merger agreement if:

- NEB has materially breached its non-solicitation obligations described under The Merger Agreement No Solicitation of Alternative Transactions beginning on page 68;
- NEB s board of directors fails to recommend in this proxy statement/prospectus the approval of the merger agreement or changes its initial recommendation to approve the merger agreement;
- NEB s board of directors recommends, proposes or publicly announces its intention to recommend or propose, to engage in an Acquisition Transaction with any party other than Independent or a subsidiary of Independent;

NEB fails to publicly recommend against a tender or exchange offer for more than 20% of the NEB common stock; or

NEB breaches its obligation to call, give notice of, convene and hold a meeting of shareholders for the purpose of approving the merger agreement and the transactions it contemplates.

Additionally, NEB may terminate the merger agreement:

if it enters into a Superior Proposal as described under The Merger Agreement No Solicitation of Alternative Transactions, so long as it pays a termination fee of $1.35 million to Independent; or

pursuant to a walk away right that is subject to a top up option, if (a) the ten-day volume weighted average trading price (VWAP) of Independent s common stock as of a measurement date prior to closing is more than 20% below the ten-day VWAP of Independent s common stock for the trading period ending March 16, 2016, (b) the decrease in the ten day VWAP of Independent s common stock for the trading period ending on March 16, 2016 compared to the ten day VWAP of Independent common stock ending on the measurement date is more than 20% greater than the decrease in the ten day average price of the Nasdaq Bank Stock Index during the same time periods, (c) NEB elects to terminate the agreement by a majority vote of NEB s directors, and (d) following notice to Independent by NEB of the exercise of its walk away right, Independent does not exercise its option under the merger agreement to increase the exchange ratio to a number that would compensate NEB shareholders for the extent of the decrease in Independent s common stock price below the lowest price per share at which the walk away right would not have been triggered. If Independent exercises its top up option, then no termination will occur.

Termination Fee (see page 72)

NEB has agreed to pay a termination fee of $1.35 million to Independent if the merger agreement is terminated under any of the circumstances described in The Merger Agreement Termination Fee beginning on page 72.

Regulatory Approvals Required for the Merger (see page 54)

Completion of the transactions contemplated by the merger agreement is subject to various regulatory approvals, including approval from the Federal Reserve Board, the Federal Deposit Insurance Corporation (the FDIC) and the Massachusetts Commissioner of Banks. Independent and NEB have filed all of the required applications and notices with regulatory authorities. Although we do not know of any reason why we would not be able to obtain the necessary regulatory approvals in a timely manner, we cannot be certain when or if we will receive them.

Rights of Independent Shareholders Differ from Those of NEB Shareholders (see page 83)

When the merger becomes effective and NEB shareholders receive Independent common stock in exchange for their shares of NEB common stock, they will become Independent shareholders. The rights of Independent shareholders differ from the rights of NEB shareholders in important ways. Many of these differences relate to provisions in Independent s articles of organization and bylaws that differ from those of NEB. See Comparison of Rights of Shareholders of NEB and Independent beginning on page 83 for a summary of the material differences between the respective rights of NEB and Independent shareholders.

Federal Income Tax Consequences of the Merger (see page 77)

The merger is intended to qualify, and the obligations of the parties to complete the merger is conditioned upon the receipt of a legal opinion from their respective counsel to the effect that the merger will qualify, as a reorganization within the meaning of Section 368 of the Internal Revenue Code of 1986, as amended, which is referred to herein as the Code. Since NEB shareholders are exchanging their shares solely for Independent common stock, they should not recognize gain or loss except with respect to any cash they receive in lieu of receiving a fractional share of Independent common stock.

This tax treatment may not apply to all NEB shareholders. Determining the actual tax consequences of the merger to NEB shareholders can be complicated. NEB shareholders should consult their own tax advisor for a full understanding of the merger s tax consequences that are particular to each shareholder.

To review the tax consequences of the merger to NEB shareholders in greater detail, please see the section Material U.S. Federal Income Tax Consequences of the Merger beginning on page 77.

Dissenters Rights of Appraisal (see page 34)

Dissenters rights are statutory rights that, if applicable under law, enable shareholders to dissent from an extraordinary transaction, such as a merger, and to demand that the surviving corporation pay the fair value for their shares in cash as determined by a court in a judicial proceeding instead of receiving the consideration

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offered to shareholders in connection with the extraordinary transaction. NEB shareholders entitled to vote on the merger have the right to dissent from the merger and, if the merger is consummated and upon their compliance with all requirements of Massachusetts law, to receive a cash payment from Independent equal to the fair value of their shares of NEB common stock, determined in the manner set forth under Massachusetts law, instead of the merger consideration. A copy of the section of the Massachusetts Business Corporation Act pertaining to dissenters appraisals rights is attached as Annex C to this proxy statement/prospectus. You should read the statute carefully and consult with your legal counsel if you intend to exercise these rights. Please see the section Dissenters Rights of Appraisal on page 34.

Per Share Market Price Information of Independent Common Stock (see page 25)

Independent common stock trades on the NASDAQ Global Select Market under the symbol INDB. NEB common stock is not traded publicly. The following presents the closing sale prices of Independent common stock on March 17, 2016, the last trading day before we announced the merger agreement, and June 10, 2016, the last practicable trading day prior to mailing this document. Since NEB common stock is not traded publicly, the closing sale prices of NEB common stock on March 17, 2016, the last trading day before we announced the merger agreement, and June 10, 2016, the last practicable trading day prior to mailing this document, is not available. The table also represents the equivalent value of the stock consideration to be paid in the merger per share of NEB common stock on those dates, calculated by multiplying the closing price of Independent common stock on those dates by an exchange ratio of 0.25, which represents the fraction of a share of Independent common stock that NEB shareholders will receive in the merger for each share of NEB common stock.

Date	Independent Closing Price	NEB Closing Price	Exchange Ratio	Equivalent Per Share Value
March 17, 2016	$ 46.79	N/A	0.25	$ 11.70
June 10, 2016	$ 47.77	N/A	0.25	$ 11.94

The market prices of Independent common stock will fluctuate prior to the merger. You should obtain current stock price quotations for Independent common stock.

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RISK FACTORS

In addition to the other information included in this proxy statement/prospectus, including the matters addressed under Forward-Looking Information, NEB s shareholders should carefully consider the following risks before deciding whether to vote for approval of the merger agreement. In addition, shareholders of NEB should read and consider the risks associated with Independent, which can be found in Independent s annual report on Form 10-K for the year ended December 31, 2015, which report is incorporated by reference into this proxy statement/prospectus. You should also consider the other information in this proxy statement/prospectus and the other documents incorporated by reference into this proxy statement/prospectus. See Where You Can Find More Information and Incorporation of Certain Documents by Reference beginning on page 90.

Risks Related to the Merger

Because the market price of Independent common stock will fluctuate, NEB s shareholders cannot be sure of the market value of the merger consideration they will receive.

Upon completion of the merger, each share of NEB common stock will be converted into the right to receive 0.25 of a share of Independent common stock. The exchange ratio used to determine the merger consideration will not increase based on fluctuations in market prices , except in extraordinary circumstances. The market values of Independent common stock have varied since Independent and NEB entered into the merger agreement and will continue to vary in the future due to changes in the business, operations or prospects of Independent, market assessments of the merger, regulatory considerations, market and economic considerations, and other factors both within and beyond the control of Independent. Therefore, at the time of the special meeting, NEB shareholders will not know or be able to calculate the actual market value of the Independent common stock they will receive upon completion of the merger. For example, based on the range of closing prices of Independent common stock during the period from March 17, 2016, the last trading day before public announcement of the merger, through June 10, 2016, the last practicable date before the date of this document, the exchange ratio represented a market value ranging from $10.93 to $12.45 for each share of NEB common stock.

The fairness opinion obtained by NEB from its financial advisor does not reflect changes in circumstances that may occur after the date of the fairness opinion.

Piper Jaffray, NEB s financial advisor in connection with the merger, has delivered to the board of directors of NEB its opinion dated March 17, 2016. The opinion of Piper Jaffray states that as of the date of such opinion, and based upon and subject to the factors and assumptions set forth therein, the merger consideration to be paid to the holders of shares of NEB common stock pursuant to the merger agreement was fair from a financial point of view to such holders. The opinion does not reflect changes that may occur or may have occurred after the date of such opinion, including changes to the operations and prospects of NEB or Independent, changes in general market and economic conditions or regulatory or other factors. Any such changes, or changes in other factors on which the opinion is based, may materially alter or affect the conclusion reached in such opinion.

NEB will be subject to business uncertainties and contractual restrictions while the merger is pending.

Uncertainty about the effect of the merger on employees and customers may have an adverse effect on NEB and, consequently, on Independent. These uncertainties may impair NEB s ability to attract, retain and motivate key personnel until the merger is consummated, and could cause customers and others that deal with NEB to seek to change existing business relationships with NEB. Retention of certain employees may be challenging during the pendency of the merger, as certain employees may experience uncertainty about their future roles with Independent. If key employees depart because of issues relating to the uncertainty or difficulty of integration or a desire not to remain with Independent, Independent s business following the merger could be harmed. In addition, the merger agreement restricts NEB from taking certain actions without the consent of Independent until the merger occurs. These restrictions may prevent NEB from pursuing attractive business opportunities that may arise prior to the completion of the merger. Please see the section entitled The Merger Agreement Conduct of Business Pending the Merger of this proxy statement/prospectus for a description of the restrictive covenants to which NEB is subject.

Independent may fail to realize all of the anticipated benefits of the merger, particularly if the integration of Independent s and NEB s businesses is more difficult than expected.

The success of the merger will depend, in part, on our ability to successfully combine the businesses of Independent and NEB. Independent may fail to realize some or all of the anticipated benefits of the transaction if the integration process takes longer or is more costly than expected. Furthermore, any number of unanticipated adverse occurrences for either the business of NEB or Independent may cause us to fail to realize some or all of the expected benefits. The integration process could result in the loss of key employees, the disruption of each company s ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with clients, customers, depositors and employees or to achieve the anticipated benefits of the merger. Each of these issues might adversely affect Independent, NEB or both during the transition period, resulting in adverse effects on Independent following the merger. As a result, revenues may be lower than expected or costs may be higher than expected and the overall benefits of the merger may not be as great as anticipated.

The market price of Independent common stock after the merger may be affected by factors different from those affecting Independent common stock currently.

The businesses of Independent and NEB differ in some respects and, accordingly, the results of operations of the combined company and the market price of Independent s shares of common stock after the merger may be affected by factors different from those currently affecting the results of operations of each of Independent or NEB. For a discussion of the businesses of Independent and NEB and of certain factors to consider in connection with those businesses, see the documents incorporated by reference into this proxy statement/prospectus and referred to under Where You Can Find More Information and Incorporation of Certain Documents by Reference beginning on page 90 and the information regarding NEB set forth under The Companies NEB beginning on page 80.

Some of the directors and executive officers of NEB may have interests and arrangements that may have influenced their decisions to support and recommend that you approve the merger.

The interests of some of the directors and executive officers of NEB may be different from those of NEB shareholders, and certain directors and officers of NEB may be participants in arrangements that are different from, or are in addition to, those of NEB shareholders, including the acceleration of awards under equity plans, agreements in settlement of obligations to such officers under pre-existing change in control agreements and provisions in the merger agreement relating to indemnification of directors and officers and insurance for directors and officers of NEB for events occurring before the merger. These interests are described in more detail in the section of this proxy statement/prospectus entitled The Merger Interests of NEB s Executive Officers and Directors in the Merger beginning on page 55.

The merger agreement limits NEB s ability to pursue alternatives to the merger.

The merger agreement contains provisions that limit NEB s ability to solicit, initiate, encourage or take any actions to facilitate competing third-party proposals to acquire all or substantially all of NEB. These provisions, which include a $1.35 million termination fee payable under certain circumstances, might discourage a potential competing acquiror that might have an interest in acquiring all or substantially all of NEB from considering or proposing that acquisition even if it were prepared to pay consideration with a higher per share market price than that proposed in the merger, or might result in a potential competing acquiror proposing to pay a lower per share price to acquire NEB than it might otherwise have proposed to pay.

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Regulatory approvals may not be received, may take longer to receive than expected or may impose burdensome conditions that are not presently anticipated.

Before the merger may be completed, certain approvals or consents must be obtained from the various bank regulatory and other authorities of the United States and the Commonwealth of Massachusetts. These governmental entities, including the Federal Reserve Board, the FDIC and the Massachusetts Division of Banks, may impose conditions on the completion of the merger or require changes to the terms of the merger. While Independent and NEB do not currently expect that any such conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying completion of the merger or imposing additional costs on or limiting the revenues of Independent following the merger, any of which might have a material adverse effect on Independent following the merger. Independent is not obligated to complete the merger if the regulatory approvals received in connection with the completion of the merger include any conditions or restrictions that would constitute a Burdensome Condition as defined in the merger agreement.

There can be no assurance as to whether the regulatory approvals will be received or the timing of the approvals. For more information, see the section entitled The Merger Regulatory Approvals Required to Complete the Merger of this proxy statement/prospectus beginning on page 54.

If the merger is not consummated by January 31, 2017, either Independent or NEB may choose not to proceed with the merger.

Either Independent or NEB may terminate the merger agreement if the merger has not been completed by January 31, 2017, unless the failure of the merger to be completed has resulted from the failure of the party seeking to terminate the merger agreement to perform its obligations.

The shares of Independent common stock to be received by NEB shareholders as a result of the merger will have different rights from the shares of NEB common stock.

The rights associated with NEB common stock are different from the rights associated with Independent common stock. See the section of this proxy statement/prospectus entitled Comparison of Rights of Shareholders of NEB and Independent beginning on page 83 for a discussion of the different rights associated with Independent common stock.

Failure to complete the merger could negatively impact the future business and financial results of NEB.

If the merger is not completed, the ongoing business of NEB may be adversely affected and NEB will be subject to several risks, including the following:

- NEB may be required, under certain circumstances, to pay Independent a termination fee of $1.35 million under the merger agreement;

- NEB will be required to pay certain costs relating to the merger, whether or not the merger is completed, such as legal, accounting, financial advisor and printing fees;

under the merger agreement, NEB is subject to certain restrictions on the conduct of its business prior to completing the merger which may adversely affect its ability to execute certain of its business strategies; and

matters relating to the merger may require substantial commitments of time and resources by NEB s management, which could otherwise have been devoted to other opportunities that may have been beneficial to NEB as an independent company.

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In addition, if the merger is not completed, NEB may experience negative reactions from its customers and employees. NEB also could be subject to litigation related to any failure to complete the merger or to enforcement proceedings commenced against NEB to perform its obligations under the merger agreement. If the merger is not completed, NEB cannot assure its shareholders that the risks described above will not materialize and will not materially affect the business and financial results of NEB.

Risks Related to Independent s Business

Changes in interest rates and other factors could adversely impact Independent s financial condition and results of operations.

Independent s ability to make a profit, like that of most financial institutions, substantially depends upon its net interest income, which is the difference between the interest income earned on interest earning assets, such as loans and investment securities, and the interest expense paid on interest-bearing liabilities, such as deposits and borrowings. However, certain assets and liabilities may react differently to changes in market interest rates. Further, interest rates on some types of assets and liabilities may fluctuate prior to changes in broader market interest rates, while rates on other types of assets may lag behind. Additionally, some assets such as adjustable-rate mortgages have features, such as rate caps and floors, which restrict changes in their interest rates.

Factors such as inflation, recession, unemployment, money supply, global disorder, instability in domestic and foreign financial markets, and other factors beyond Independent s control, may affect interest rates. Changes in market interest rates will also affect the level of voluntary prepayments on loans and the receipt of payments on mortgage-backed securities, resulting in the receipt of proceeds that may have to be reinvested at a lower rate than the loan or mortgage-backed security being prepaid.

The state of the financial and credit markets, and potential sovereign debt defaults may severely impact the global and domestic economies and may lead to a significantly tighter environment in terms of liquidity and availability of credit. Economic growth may slow down and the national economy may experience additional recession periods. Market disruption, government and central bank policy actions intended to counteract the effects of recession, changes in investor expectations regarding compensation for market risk, credit risk and liquidity risk and changing economic data could continue to have dramatic effects on both the volatility of and the magnitude of the directional movements of interest rates. Although Independent pursues an asset/liability management strategy designed to control its risk from changes in interest rates, changes in market interest rates can have a material adverse effect on Independent s profitability.

If Independent has higher than anticipated loan losses than it has modeled, its earnings could materially decrease.

Independent s loan customers may not repay loans according to their terms, and the collateral securing the payment of loans may be insufficient to assure repayment. Independent may therefore experience significant credit losses which could have a material adverse effect on its operating results and capital ratios. Independent makes various assumptions and judgments about the collectability of its loan portfolio, including the creditworthiness of borrowers, the value of the real estate and other assets serving as collateral for the repayment of loans, and the enforceability of its loan documents. In determining the amount of the allowance for loan losses, Independent relies on its experience and its evaluation of economic conditions. If its assumptions prove to be incorrect, its current allowance for loan losses may not be sufficient to cover losses inherent in its loan portfolio and an adjustment may be necessary to allow for different economic conditions or adverse developments in its loan portfolio. Consequently, a problem with one or more loans could require Independent to significantly increase the level of its provision for loan losses. In addition, federal and state regulators periodically review Independent s allowance for loan losses and may require it to increase its provision for loan losses or recognize further loan charge-offs. Material additions to the allowance would materially decrease Independent s net income.

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A significant amount of Independent s loans are concentrated in Rockland Trust s geographic footprint and adverse conditions in this area could negatively impact its operations.

Substantially all of the loans Independent originates are secured by properties located in, or are made to businesses which operate in Massachusetts, and to a lesser extent Rhode Island. Because of the current concentration of Independent s loan origination activities in its geographic footprint, adverse economic conditions, including, but not limited to, increased unemployment, downward pressure on the value of residential and commercial real estate, and political or business developments, may affect the ability of property owners and businesses to make payments of principal and interest on the underlying loans in Rockland Trust s geographic footprint. Independent would likely experience higher rates of loss and delinquency on its loans than if its loans were more geographically diversified, which could have an adverse effect on its results of operations or financial condition.

A significant portion of Independent s loan portfolio is secured by real estate, and events that negatively impact the real estate market could adversely affect Independent s asset quality and profitability for those loans secured by real property and increase the number of defaults and the level of losses within Independent s loan portfolio.

The real estate collateral in each case provides an alternate source of repayment in the event of default by the borrower and could deteriorate in value during the time the credit is extended. A downturn in the real estate market in Independent s primary market areas could result in an increase in the number of borrowers who default on their loans and a reduction in the value of the collateral securing their loans, which in turn could have an adverse effect on Independent s profitability and asset quality. If Independent is required to liquidate the collateral securing a loan to satisfy the debt during a period of reduced real estate values, its earnings and shareholders equity could be adversely affected. The declines in real estate prices in Independent s markets also may result in increases in delinquencies and losses in its loan portfolios. Unexpected decreases in real estate prices coupled with a prolonged economic recovery and elevated levels of unemployment could drive losses beyond that which is provided for in Independent s allowance for loan losses. In that event, Independent s earnings could be adversely affected.

Independent operates in a highly regulated environment and may be adversely impacted by changes in law, regulations, and accounting policies.

Independent is subject to extensive regulation, supervision and examination. Any change in the laws or regulations and failure by Independent to comply with applicable law and regulation, or a change in regulators supervisory policies or examination procedures, whether by the Massachusetts Commissioner of Banks, the FDIC, the Federal Reserve Board, other state or federal regulators, the United States Congress, or the Massachusetts legislature could have a material adverse effect on Independent s business, financial condition, results of operations, and cash flows. Changes in accounting policies, practices and standards, as may be adopted by the regulatory agencies as well as the Public Company Accounting Oversight Board, the Financial Accounting Standards Board, and other accounting standard setters, could also negatively impact Independent s financial results.

The recent change in regulatory capital requirements may have an adverse impact on Independent s future financial results.

In 2013, the FDIC, the OCC and the Federal Reserve Board approved new rules that substantially amended the regulatory risk-based capital rules applicable to Independent and Rockland Trust. The final rule implemented the Basel III regulatory capital reforms and changes required by the Dodd-Frank Wall Street Reform and Consumer Protection Act. The new rules went into effect on January 1, 2015, although certain portions of the rule, including the capital conservation buffer, are being phased in over a period of several years. The application

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of more stringent capital requirements, including the phase in of the capital conservation buffer, on Independent could, among other things, result in lower returns on equity, require the raising of additional capital, and result in regulatory actions such as a prohibition on the payment of dividends or on the repurchase of shares if Independent were unable to comply with such requirements.

Independent has strong competition within its market area which may limit Independent s growth and profitability.

Independent faces significant competition both in attracting deposits and in the origination of loans. Additional mergers and acquisitions of financial institutions within Independent s market area may also occur given the current difficult banking environment and add more competitive pressure. Additionally, Independent s market share and income may be adversely affected by its inability to successfully compete against larger and more diverse financial service providers. If Independent is unable to compete effectively, it may lose market share and income generated from loans, deposits, and other financial products may decline.

The success of Independent is dependent on hiring and retaining certain key personnel.

Independent s performance is largely dependent on the talents and efforts of highly skilled individuals. Independent relies on key personnel to manage and operate its business, including major revenue generating functions such as loan and deposit generation. The loss of key staff may adversely affect Independent s ability to maintain and manage these functions effectively, which could negatively affect Independent s revenues. In addition, loss of key personnel could result in increased recruiting and hiring expenses, which could cause a decrease in Independent s net income. Independent s continued ability to compete effectively depends on its ability to attract new employees and to retain and motivate its existing employees.

Independent s business strategy of growth in part through acquisitions could have an impact on its earnings and results of operations that may negatively impact the value of Independent s stock.

In recent years, Independent has focused, in part, on growth through acquisitions. From time to time in the ordinary course of business, Independent engages in preliminary discussions with potential acquisition targets. The consummation of any future acquisitions may dilute shareholder value. Although Independent s business strategy emphasizes organic expansion combined with acquisitions, there can be no assurance that, in the future, Independent will successfully identify suitable acquisition candidates, complete acquisitions and successfully integrate acquired operations into Independent s existing operations or expand into new markets. There can be no assurance that acquisitions will not have an adverse effect upon Independent s operating results while the operations of the acquired business are being integrated into Independent s operations. In addition, once integrated, acquired operations may not achieve levels of profitability comparable to those achieved by Independent s existing operations, or otherwise perform as expected. Further, transaction-related expenses may adversely affect Independent s earnings. These adverse effects on Independent s earnings and results of operations may have a negative impact on the value of Independent s stock.

Independent s securities portfolio performance in difficult market conditions could have adverse effects on Independent s results of operations.

Under U.S. Generally Accepted Accounting Principles (U.S. GAAP), Independent is required to review Independent s investment portfolio periodically for the presence of other-than-temporary impairment of its securities, taking into consideration current market conditions, the extent and nature of changes in fair value, issuer rating changes and trends, volatility of earnings, current analysts evaluations, Independent s ability and intent to hold investments until a recovery of amortized cost, as well as other factors. Adverse developments with respect to one or more of the foregoing factors may require Independent to deem particular securities to be other-than-temporarily impaired, with the credit related portion of the reduction in the value recognized as a charge to

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Independent s earnings. Market volatility may make it extremely difficult to value certain of Independent s securities. Subsequent valuations, in light of factors prevailing at that time, may result in significant changes in the values of these securities in future periods. Any of these factors could require Independent to recognize further impairments in the value of Independent s securities portfolio, which may have an adverse effect on Independent s results of operations in future periods.

Impairment of goodwill and/or intangible assets could require charges to earnings, which could result in a negative impact on Independent s results of operations.

Goodwill arises when a business is purchased for an amount greater than the net fair value of its assets. Independent has recognized goodwill as an asset on the balance sheet in connection with several acquisitions. When an intangible asset is determined to have an indefinite useful life, it is not amortized, and instead is evaluated for impairment. Goodwill is subject to impairment tests annually, or more frequently if necessary, and is evaluated using a two-step impairment approach. A significant and sustained decline in Independent s stock price and market capitalization, a significant decline in Independent s expected future cash flows, a significant adverse change in the business climate, slower growth rates or other factors could result in impairment of goodwill or other intangible assets. If Independent were to conclude that a future write-down of the goodwill or intangible assets is necessary, then Independent would record the appropriate charge to earnings, which could be materially adverse to the results of operations and financial position.

Deterioration in the Federal Home Loan Bank (FHLB) of Boston s capital might restrict the FHLB of Boston s ability to meet the funding needs of its members, cause a suspension of its dividend, and cause its stock to be determined to be impaired.

Significant components of Rockland Trust s liquidity needs are met through its access to funding pursuant to its membership in the FHLB of Boston. The FHLB is a cooperative that provides services to its member banking institutions. The primary reason for joining the FHLB is to obtain funding from the FHLB of Boston. The purchase of stock in the FHLB is a requirement for a member to gain access to funding. Any deterioration in the FHLB s performance may affect Independent s access to funding and/or require Independent to deem the required investment in FHLB stock to be impaired.

Reductions in the value of Independent s deferred tax assets could affect earnings adversely.

A deferred tax asset is created by the tax effect of the differences between an asset s book value and its tax basis. Independent assesses the deferred tax assets periodically to determine the likelihood of Independent s ability to realize their benefits. These assessments consider the performance of the associated business and its ability to generate future taxable income. If the information available to Independent at the time of assessment indicates there is a greater than 50% chance that Independent will not realize the deferred tax asset benefit, Independent is required to establish a valuation allowance for it and reduce its future tax assets to the amount Independent believes could be realized in future tax returns. Recording such a valuation allowance could have a material adverse effect on the results of operations or financial position. Additionally the deferred tax asset is measured using enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled. Accordingly, a change in enacted tax rates may result in a decrease/increase to Independent s deferred tax asset.

Independent will need to keep pace with evolving information technology, guard against and react to increased cyber security risks and electronic fraud.

The potential need to adapt to changes in information technology could adversely impact Independent s operations and require increased capital spending. The risk of electronic fraudulent activity within the financial

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services industry, especially in the commercial banking sector due to cyber criminals targeting bank accounts and other customer information, could adversely impact Independent s operations, damage its reputation and require increased capital spending. Independent s information technology infrastructure and systems may be vulnerable to cyber terrorism, computer viruses, system failures and other intentional or unintentional interference, negligence, fraud and other unauthorized attempts to access or interfere with these systems and proprietary information. Although Independent believes to have implemented and maintain reasonable security controls over proprietary information as well as information of Independent s customers, shareholders and employees, a breach of these security controls may have a material adverse effect on Independent s business, financial condition and results of operations and could subject us to significant regulatory actions and fines, litigation, loss, third-party damages and other liabilities.

Independent s business depends on maintaining the trust and confidence of customers and other market participants, and the resulting good reputation is critical to its business.

Independent s ability to originate and maintain accounts is highly dependent upon the perceptions of consumer and commercial borrowers and deposit holders and other external perceptions of Independent s business practices or financial health. Independent s reputation is vulnerable to many threats that can be difficult or impossible to control, and costly or impossible to remediate. Regulatory inquiries, employee misconduct and rumors, among other things, can substantially damage Independent s reputation, even if they are baseless or satisfactorily addressed. Adverse perceptions regarding Independent s reputation in the consumer, commercial and funding markets could lead to difficulties in generating and maintaining accounts as well as in financing them and to decreases in the levels of deposits that consumer and commercial customers and potential customers choose to maintain with Independent, any of which could have a material adverse effect on Independent s business and financial results.

If Independent s risk management framework does not effectively identify or mitigate Independent s risks, Independent could suffer unexpected losses and could be materially adversely affected.

Independent s risk management framework seeks to mitigate risk and appropriately balance risk and return. Independent has established processes and procedures intended to identify, measure, monitor and report the types of risk to which it s subject, including credit risk, operations risk, compliance risk, reputation risk, strategic risk, market risk and liquidity risk. Independent seeks to monitor and control its risk exposure through a framework of policies, procedures and reporting requirements. Management of Independent s risks in some cases depends upon the use of analytical and/or forecasting models. If the models used to mitigate these risks are inadequate, Independent may incur losses. In addition, there may be risks that exist, or that develop in the future, that Independent has not appropriately anticipated, identified or mitigated. If Independent s risk management framework does not effectively identify or mitigate its risks, Independent could suffer unexpected losses and could be materially adversely affected.

Changes in accounting policies or accounting standards could cause Independent to change the manner in which it reports its financial results and condition in adverse ways and could subject Independent to additional costs and expenses.

Independent s accounting policies are fundamental to understanding its financial results and condition. Some of these policies require the use of estimates and assumptions that may affect the value of Independent s assets or liabilities and financial results. Independent identified its accounting policies regarding the allowance for loan losses, security valuations and impairments, goodwill and other intangible assets, and income taxes to be critical because they require management to make difficult, subjective and complex judgments about matters that are inherently uncertain. Under each of these policies, it is possible that materially different amounts would be reported under different conditions, using different assumptions, or as new information becomes available.

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From time to time, the FASB and the Securities and Exchange Commission change their guidance governing the form and content of Independent s external financial statements. In addition, accounting standard setters and those who interpret U.S. GAAP, such as the FASB, SEC, and banking regulators, may change or even reverse their previous interpretations or positions on how these standards should be applied. Such changes are expected to continue, and may accelerate dependent upon the FASB and International Accounting Standards Board commitments to achieving convergence between U.S. GAAP and International Financial Reporting Standards. Changes in U.S. GAAP and changes in current interpretations are beyond Independent s control, can be hard to predict and could materially impact how Independent reports its financial results and condition. In certain cases, Independent could be required to apply new or revised guidance retroactively or apply existing guidance differently (also retroactively) which may result in Independent restating prior period financial statements for material amounts. Additionally, significant changes to U.S. GAAP may require costly technology changes, additional training and personnel, and other expenses that will negatively impact Independent s results of operations.

Independent may be unable to adequately manage its liquidity risk, which could affect its ability to meet its obligations as they become due, capitalize on growth opportunities, or pay regular dividends on its common stock.

Liquidity risk is the potential that Independent will be unable to meet its obligations as they come due, capitalize on growth opportunities as they arise, or pay regular dividends on its common stock because of an inability to liquidate assets or obtain adequate funding in a timely basis, at a reasonable cost and within acceptable risk tolerances. Liquidity is required to fund various obligations, including credit commitments to borrowers, mortgage and other loan originations, withdrawals by depositors, repayment of borrowings, dividends to shareholders, operating expenses and capital expenditures. Liquidity is derived primarily from retail deposit growth and retention; principal and interest payments on loans; principal and interest payments on investment securities; sale, maturity and prepayment of investment securities; net cash provided from operations, and access to other funding sources.

Independent is subject to environmental liability risk associated with lending activities which could have a material adverse effect on its financial condition and results of operations.

A significant portion of Independent s loan portfolio is secured by real property. During the ordinary course of business, Independent may foreclose on and take title to properties securing certain loans. In doing so, there is a risk that hazardous or toxic substances could be found on these properties. If hazardous or toxic substances are found, Independent may be liable for remediation costs, as well as for personal injury and property damage. Environmental laws may require Independent to incur substantial expenses and may materially reduce the affected property s value or limit Independent s ability to use or sell the affected property. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase Independent s exposure to environmental liability. Although Independent has policies and procedures to perform an environmental review prior to originating certain commercial real estate loans, as well as before initiating any foreclosure action on real property, these reviews may not be sufficient to detect all potential environmental hazards. The remediation costs and any other financial liabilities associated with an environmental hazard could have a material adverse effect on Independent s financial condition and results of operations.

Changes in the equity markets could materially affect the level of assets under management and the demand for other fee-based services.

Economic downturns could affect the volume of income from and demand for fee-based services. Revenues from the investment management business depend in large part on the level of assets under management and administration. Market volatility that leads customers to liquidate investments as well as lower asset values can reduce Independent s level of assets under management and administration and thereby decrease Independent s investment management and administration revenues.

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Independent relies on its systems, employees and certain service providers, and if the system fails or if Independent s security measures are compromised, the operations could be disrupted or the data of Independent s customers could be improperly divulged.

Independent faces the risk that the design of Independent s controls and procedures, including those to mitigate the risk of fraud by employees or outsiders, may prove to be inadequate or are circumvented, thereby causing delays in detection of errors or inaccuracies in data and information. Independent regularly reviews and updates Independent s internal controls, disclosure controls and procedures, and corporate governance policies and procedures. Any system of controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met. Any failure or circumvention of Independent s controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on Independent s business, results of operations and financial condition. Independent may also be subject to disruptions of the systems arising from events that are wholly or partially beyond Independent s control (including, for example, electrical or telecommunications outages), which may give rise to losses in service to customers and to financial loss or liability. Additionally, Independent s risk exposure to security matters may remain elevated or increase in the future due to, among other things, the increasing size and prominence of Rockland Trust in the financial services industry, Independent s expansion of Internet and mobile banking tools and products based on customer needs, and the system and customer account conversions associated with the integration of merger targets. Independent is further exposed to the risk that external vendors may be unable to fulfill their contractual obligations (or will be subject to the same risk of fraud or operational errors by their respective employees as Independent is) and to the risk that Independent s (or vendors) business continuity and data security systems prove to be inadequate. Independent maintains a control framework designed to monitor vendor risks. While Independent believes these policies and procedures help to mitigate risk, the failure of an external vendor to perform in accordance with the contracted arrangements under service level agreements could be disruptive to Independent s operations, which could have a material adverse impact on the business and, in turn, Independent s financial condition and results of operations.

Independent s ability to make opportunistic acquisitions is subject to significant risks, including the risk that regulators will not provide the requisite approvals.

Independent may make opportunistic whole or partial acquisitions of other banks, branches, financial institutions, or related businesses from time to time that it expects may further Independent s business strategy. Any possible acquisition will be subject to regulatory approval, and there can be no assurance that Independent will be able to obtain such approval in a timely manner or at all. Even if Independent obtains regulatory approval, these acquisitions could involve numerous risks, including lower than expected performance or higher than expected costs, difficulties related to integration, diversion of management s attention from other business activities, changes in relationships with customers, and the potential loss of key employees. In addition, Independent may not be successful in identifying acquisition candidates, integrating acquired institutions, or preventing deposit erosion or loan quality deterioration at acquired institutions. Competition for acquisitions can be highly competitive, and Independent may not be able to acquire other institutions on attractive terms. There can be no assurance that Independent will be successful in completing or will even pursue future acquisitions, or if such transactions are completed, that Independent will be successful in integrating acquired businesses into operations. Ability to grow may be limited if Independent chooses not to pursue or is unable to successfully make acquisitions in the future.

Independent s effective income tax rate could be adversely affected if Independent s community development entity subsidiaries do not receive additional New Markets Tax Credit awards.

Independent s effective tax rate is determined by a number of factors, including the recognition of federal tax credits in connection with New Markets Tax Credit awards. In 2015, Independent recognized $6.5 million in

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federal tax credits through New Markets Tax Credit award deployment. Federal government agencies periodically determine New Markets Tax Credit award recipients through a nationwide application process that is highly competitive. While Independent s community development entity subsidiaries have received four prior New Markets Tax Credit awards, there can be no assurance as to the success of any current or future New Markets Tax Credit applications. If Independent does not obtain additional awards, Independent s effective tax rate could increase substantially in the future, adversely affecting net income, as existing federal tax credits run off.

Independent may experience losses and expenses if security interests granted for loans are not enforceable.

When Rockland Trust makes loans, it is sometimes granted liens such as real estate mortgages or other asset pledges to provide Rockland Trust with a security interest in collateral. If there is a loan default, Rockland Trust may need to foreclose upon collateral and enforce the security interests it has been granted to obtain repayment. Drafting errors, other defects or imperfections in the security interests granted to Rockland Trust, and/or changes in law may render liens granted to Rockland Trust unenforceable. Independent may incur losses or expenses if security interests granted to Rockland Trust are or may be unenforceable.

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FORWARD-LOOKING STATEMENTS

This document contains or incorporates by reference forward-looking statements regarding the financial condition, results of operations, earnings outlook, and business prospects of Independent, NEB and the potential combined company and may include statements for the period following the completion of the merger. You can find many of these statements by looking for words such as expects, projects, anticipates, believes, intends, estimates, str plan, potential, possible, and other similar expressions.

The forward-looking statements involve certain assumptions, risks, and uncertainties. In particular, the ability of either Independent or NEB to predict results or actual effects of its plans and strategies, or those of the combined company, is inherently uncertain. Accordingly, actual results may differ materially from those expressed in, or implied by, the forward-looking statements. You therefore are cautioned not to place undue reliance on these statements, which speak only as of the date of this document or the date of any document incorporated by reference in this document. Some of the factors that may cause actual results or earnings to differ materially from those contemplated by the forward-looking statements include, but are not limited to, those discussed elsewhere in this proxy statement/prospectus under Risk Factors , as well as the following:

- those risks and uncertainties Independent discusses or identifies in its public filings with the SEC;
- the risk that the businesses of Independent and NEB will not be integrated successfully or such integration may be more difficult, time-consuming, or costly than expected;
- expected revenue synergies and cost savings from the merger may not be fully realized or realized within the expected time frame;
- revenues following the merger may be lower than expected;
- costs following the merger may be higher than expected;
- competitive pressure among financial services companies may increase significantly;
- general economic or business conditions, either nationally, regionally, or in the markets in which Independent and NEB do business, may be less favorable than expected;
- changes in the interest rate environment may reduce interest margins and impact funding sources;
- changes in both companies businesses during the period between now and the completion of the merger may have adverse impacts on the combined company;

- changes in market rates and prices may adversely impact the value of financial products and assets;
- deterioration in the credit markets may adversely impact either company or its business;
- legislation or regulatory environments, requirements, or changes, including changes in accounting methods, may adversely affect businesses in which either company is engaged;
- litigation liabilities, including costs, expenses, settlements and judgments, may adversely affect either company or its businesses;
- deposit attrition, operating costs, customer loss and business disruption following the merger, including difficulties in maintaining relationships with employees, may be greater than expected; and
- the ability to obtain timely governmental approvals of the merger without the imposition of any conditions that would adversely affect the potential combined company.

All subsequent written and oral forward-looking statements concerning the merger or other matters addressed in this document and attributable to Independent or NEB or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, Independent and NEB undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

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SUMMARY HISTORICAL AND UNAUDITED PRO FORMA FINANCIAL INFORMATION

Per Share Market Price Information of Independent Common Stock

Independent common stock trades on the NASDAQ Global Select Market under the symbol INDB. NEB common stock is not traded publicly. The following presents the closing sale prices of Independent common stock on March 17, 2016, the last trading day before we announced the merger agreement, and June 10, 2016, the last practicable trading day prior to mailing this document. Since NEB common stock is not traded publicly, the closing sale prices of NEB common stock on March 17, 2016, the last trading day before we announced the merger agreement, and June 10, 2016, the last practicable trading day prior to mailing this document, is not available. The table also represents the equivalent value of the stock consideration to be paid in the merger per share of NEB common stock on those dates, calculated by multiplying the closing price of Independent common stock on those dates by an exchange ratio of 0.25, which represents the fraction of a share of Independent common stock that NEB shareholders will receive in the merger for each share of NEB common stock.

Date	Independent Closing Price	NEB Closing Price	Exchange Ratio	Equivalent Per Share Value
March 17, 2016	$ 46.79	N/A	0.25	$ 11.70
June 10, 2016	$ 47.77	N/A	0.25	$ 11.94

The above table shows only historical comparisons. These comparisons may not provide meaningful information to NEB shareholders in determining whether to approve the merger agreement. NEB shareholders are urged to obtain current market quotations for Independent common stock and to review carefully the other information contained in this proxy statement/prospectus or incorporated by reference into this proxy statement/prospectus in considering whether to approve the merger agreement. See the section entitled Where You Can Find More Information beginning on page 90 of this proxy statement/prospectus.

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Comparative Stock Prices and Dividends

Independent common stock is listed on the NASDAQ Global Select Market under the symbol INDB. NEB common stock is not traded publicly. The following table sets forth, for the periods indicated, the high and low closing prices per share of Independent common stock as reported by the NASDAQ Global Select Market. The table also provides information as to dividends paid per share of Independent common stock. NEB has not paid a cash dividend on its common stock in its two most recently completed fiscal years or any subsequent interim periods. As of June 10, 2016, there were 26,309,723 shares of Independent common stock issued and outstanding and approximately 2,491 shareholders of record and 2,640,738 shares of NEB common stock issued and outstanding and approximately 379 shareholders of record.

	Independent Closing Price		Dividend per Share
2014	**High**	**Low**	
Quarter Ended March 31,	$ 40.45	$ 34.66	$ 0.24
Quarter Ended June 30,	40.40	34.96	0.24
Quarter ended September 30,	39.42	35.06	0.24
Quarter Ended December 31,	43.35	35.49	0.24
2015			
Quarter Ended March 31,	$ 44.79	$ 37.83	$ 0.26
Quarter Ended June 30,	48.94	41.03	0.26
Quarter Ended September 30,	49.90	43.05	0.26
Quarter Ended December 31,	52.17	44.19	0.26
2016			
Quarter Ended March 31,	$ 47.66	$ 41.35	$ 0.29
Quarter Ended June 30, (through June 10, 2016)	$ 49.81	$ 43.71	TBD

After completion of the merger, the timing and amount of the payment of dividends will be at the discretion of Independent s board of directors and will be determined after consideration of various factors, including level of earnings, cash requirements and financial condition.

Unaudited Comparative Per Share Data

The table that follows presents, for both Independent and NEB, historical information with respect to earnings, dividends and book value on a per share basis. The table also presents preliminary pro forma information for both companies on a per share basis.

The preliminary pro forma information as of and for the year ended December 31, 2015 assumes that the merger became effective on January 1, 2015 and assumes total merger consideration of approximately $30.7 million, consisting of approximately 660,185 shares of Independent common stock to be paid or issued to holders of NEB common stock upon completion of the merger. The number of shares of Independent common stock was calculated based on 2,640,738 shares of NEB common stock outstanding on December 31, 2015. Based on the closing price of Independent of $46.52 on December 31, 2015, the value of the merger consideration to be received in exchange for one share of NEB common stock would have been $11.63.

The preliminary pro forma information as of and for the three months ended March 31, 2016 assumes that the merger became effective on January 1, 2016 and assumes total merger consideration of approximately $30.3 million, consisting of approximately 660,185 shares of Independent common stock to be paid or issued to holders of NEB common stock upon completion of the merger. The number of shares of Independent common stock was calculated based on 2,640,738 shares of NEB common stock outstanding on March 31, 2016. Based on the closing price of Independent of $45.96 on March 31, 2016, the value of the merger consideration to be received in exchange for one share of NEB common stock would have been $11.49.

The NEB pro forma equivalent per share information in the following table was obtained by multiplying the pro forma per share amounts shown for Independent by the exchange ratio of 0.25. The actual number of shares to be issued by Independent in the merger will also depend on the number of shares of NEB common stock outstanding immediately prior to the effective date of the merger.

The preliminary pro forma financial information includes estimated adjustments to record NEB s assets and liabilities at their respective fair values based on Independent s management s best estimate using the information available at this time. The preliminary pro forma adjustments may be revised as additional information becomes available and as additional analyses are performed. The final allocation of the purchase price will be determined after the merger is completed and after the completion of a final analysis to determine the fair values of NEB s tangible and identifiable intangible assets and liabilities as of the closing date. The final purchase price adjustments may differ materially from the preliminary pro forma adjustments. Increases or decreases in the fair value of certain balance sheet amounts and other items of NEB as compared to the information presented in this document may change the amount of the purchase price allocated to goodwill and other assets and liabilities and may impact the statement of income due to adjustments in yield and/or amortization of adjusted assets and liabilities.

It is anticipated that the merger will provide Independent with financial benefits, such as possible expense efficiencies and revenue enhancements, among other factors, although no assurances can be given that these benefits will actually be achieved. The impact of these benefits has not been reflected in the preliminary pro forma financial information. As required, the preliminary pro forma financial information includes adjustments that give effect to events that are directly attributable to the merger and factually supportable. As a result, any planned adjustments affecting the balance sheet, income statement, or shares of common stock outstanding subsequent to the assumed merger completion date have not been included.

The preliminary pro forma financial information is presented for illustrative purposes only and is not necessarily indicative of the financial results of the combined companies had the merger actually been completed as of or at the beginning of each period presented nor does it indicate future results for any interim or full-year period.

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The information in the following table is derived from and should be read in conjunction with the historical consolidated financial statements and the notes thereto for Independent contained in this proxy statement/prospectus or incorporated into this document by reference.

Summary Financial Information

	At or for the Year Ended December 31, 2015	At or for the Three Months Ended March 31, 2016
Book value per share:		
Independent historical	$ 29.40	$ 29.97
NEB historical	8.38	8.43
Pro forma combined	29.82	30.37
NEB pro forma equivalent	7.46	7.59
Tangible book value per share:		
Independent historical	$ 21.29	$ 21.90
NEB historical	8.38	8.43
Pro forma combined	21.35	21.96
NEB pro forma equivalent	5.34	5.49
Cash dividends declared per share:		
Independent historical	$ 1.04	$ 0.29
NEB historical		
Pro forma combined	1.04	0.29
NEB pro forma equivalent	0.26	0.07
Basic net income per share:		
Independent historical	$ 2.51	$ 0.71
NEB historical	0.24	0.01
Pro forma combined	2.35	0.58
NEB pro forma equivalent	0.59	0.15
Diluted net income per share:		
Independent historical	$ 2.50	$ 0.71
NEB historical	0.24	0.01
Pro forma combined	2.35	0.58
NEB pro forma equivalent	0.59	0.14

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Independent Selected Historical Financial and Operating Data

The following table provides summary historical consolidated financial condition data for Independent as of the end of each fiscal year in the five-year period ended December 31, 2015 and operating and per share data and operating ratios for each of the corresponding fiscal years and as of the end of each of the three months ended March 31, 2016 and March 31, 2015 and for the corresponding fiscal periods. The annual historical consolidated financial condition, operating and per share data and operating ratios have been derived in part from Independent s audited financial statements and related notes incorporated by reference into this document. The historical consolidated financial condition, operating and per share data and operating ratios as of the end of each of the three months ended March 31, 2016 and March 31, 2015 and for the corresponding fiscal periods have been derived from Independent s unaudited financial statements and related notes incorporated by reference into this document and are not necessarily indicative of the results that may be expected for the full year or any other interim period. The following information is only a summary and you should read it in conjunction with Independent s financial statements and related notes incorporated by reference into this document.

	At or for the Three Months Ended March 31,		At or for the Year Ended December 31, (Dollars in Thousands, Except Per Share Data)				
	2016[1] (unaudited)	2015 (unaudited)	2015	2014	2013	2012	2011
FINANCIAL CONDITION DATA:							
Securities available for sale	$ 378,227	$ 387,038	$ 367,249	$ 348,554	$ 356,862	$ 329,286	$ 305,332
Securities held to maturity	457,641	394,745	477,507	375,453	350,652	178,318	204,956
Loans	5,589,231	5,393,118	5,547,721	4,970,733	4,718,307	4,519,011	3,794,390
Allowance for loan losses	(56,432)	(54,515)	(55,825)	(55,100)	(53,239)	(51,834)	(48,260)
Goodwill and core deposit intangibles	212,218	215,058	212,909	180,306	182,642	162,144	140,722
Total assets	7,189,268	6,911,085	7,210,038	6,364,912	6,099,234	5,756,985	4,970,240
Total deposits	5,995,247	5,670,712	5,990,703	5,210,466	4,986,418	4,546,677	3,876,829
Total borrowings	293,265	395,015	344,502	406,655	448,488	591,055	537,686
Shareholders equity	788,147	732,886	771,463	640,527	591,540	529,320	469,057
Nonperforming loans	25,499	30,340	27,690	27,512	34,659	28,766	28,953
Nonperforming assets	27,219	40,348	29,849	38,894	43,833	42,427	37,149
Shares outstanding	26,293,565	26,123,576	26,236,352	23,998,738	23,805,984	22,774,009	21,499,768

OPERATING DATA:							
Interest income	$ 59,741	$ 56,429	$ 235,545	$ 216,459	$ 205,914	$ 196,192	$ 195,751
Interest expense	4,850	5,180	20,617	20,417	23,336	23,393	28,672
Net interest income	54,891	51,249	214,928	196,042	182,578	172,799	167,079
Provision (benefit) for loan losses	525	(500)	1,500	10,403	10,200	18,056	11,482
Noninterest income	19,155	16,557	75,888	69,943	68,009	62,016	52,700
Noninterest expenses	46,482	54,977	197,138	171,838	173,649	159,459	145,713
Net income	18,611	9,460	64,960	59,845	50,254	42,627	45,436
PER SHARE DATA:							
Net income-basic	$ 0.71	$ 0.38	$ 2.51	$ 2.50	$ 2.18	$ 1.96	$ 2.12
Net income-diluted	0.71	0.38	2.50	2.49	2.18	1.95	2.12
Cash dividends declared	0.29	0.26	1.04	0.96	0.88	0.84	0.76
Book value	29.97	28.05	29.40	26.69	24.85	23.24	21.82
OPERATING RATIOS:							
Return on average assets	1.04%	0.58%	0.93%	0.95%	0.87%	0.83%	0.96%
Return on average common equity	9.52%	5.58%	8.79%	9.66%	9.09%	8.66%	9.93%
Net interest margin (on a fully tax equivalent basis)	3.39%	3.50%	3.42%	3.45%	3.51%	3.75%	3.90%
Equity to assets	10.96%	10.60%	10.70%	10.06%	9.70%	9.19%	9.44%
Dividend payout ratio	36.66%	60.89%	40.29%	37.50%	30.09%	52.77%	35.30%

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	At or for the Three Months Ended March 31,		At or for the Year Ended December 31, (Dollars in Thousands, Except Per Share Data)				
	2016[(1)] (unaudited)	2015 (unaudited)	2015	2014	2013	2012	2011
ASSET QUALITY RATIOS:							
Nonperforming loans as a percent of gross loans	0.46%	0.56%	0.50%	0.55%	0.73%	0.64%	0.76%
Nonperforming assets as a percent of total assets	0.38%	0.58%	0.41%	0.61%	0.72%	0.74%	0.75%
Allowance for loan losses as a percent of total loans	1.01%	1.01%	1.01%	1.11%	1.13%	1.15%	1.27%
Allowance for loan losses as a percent of nonperforming loans	221.31%	179.68%	201.61%	200.28%	153.61%	180.19%	166.68%
CAPITAL RATIOS:							
Tier 1 leverage capital ratio	9.53%	9.53%	9.33%	8.84%	8.64%	8.65%	8.61%
Common equity Tier 1 capital ratio	10.64%	10.02%	10.44%	N/A	N/A	N/A	N/A
Tier 1 risk-based capital ratio	11.90%	11.31%	11.71%	10.88%	10.78%	10.36%	10.74%
Total risk-based capital ratio	13.56%	12.99%	13.36%	13.15%	12.58%	12.23%	12.78%

(1) As discussed in Note 2 to Independent s unaudited financial statements and related notes for the three months ended March 31, 2016 incorporated by reference into this document, effective January 1, 2016, Independent adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) Interest Imputation of Interest Subtopic 835-30 (ASU 2015-03). ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. While the standard requires retrospective adoption, the summary historical consolidated financial data for Independent as of the end of each of the fiscal years in the five-year period ended December 31, 2015 and as of March 31, 2015 has not been adjusted to reflect the adoption of ASU 2015-03 as the effects were not deemed to be material.

NEB Selected Historical Consolidated Financial Data

The following table provides summary historical consolidated financial data for NEB as of the end of and for each of the fiscal years in the five-year period ended December 31, 2015 and as of the end of and for the three months ended March 31, 2016 and March 31, 2015. The historical consolidated financial data as of the end of and for each of the fiscal years in the five-year period ended December 31, 2015 have been derived in part from NEB s audited financial statements and related notes. The historical consolidated financial data as of the end of and for the three months ended March 31, 2016 and March 31, 2015 have been derived from NEB s unaudited financial statements and related notes and are not necessarily indicative of the results that may be expected for the full year or any other interim period.

At or for the Three Months Ended March 31, *(unaudited)*		At or for the Year Ended December 31, (Dollars in Thousands, Except Per Share Data)				
2016	2015	2015	2014	2013	2012	2011

FINANCIAL CONDITION DATA:							
Securities available for sale	$	$	$	$ 7,900	$ 14,796	$ 14,148	$ 17,147
Securities held to maturity	5,117	6,181	5,746				
Loans	232,935	207,154	227,720	198,582	179,648	155,891	119,576
Allowance for loan losses	(2,265)	(2,150)	(2,250)	(2,127)	(2,050)	(1,798)	(1,433)
Total assets	259,380	238,340	260,361	237,235	223,560	195,404	152,005
Total deposits	207,810	197,301	214,024	199,575	179,084	165,669	124,473
Total borrowings	22,039	13,209	18,300	11,159	19,686	12,332	11,873
Shareholders equity	26,263	25,394	26,122	25,146	24,167	15,957	15,295
Nonperforming loans	66	940	95		884		543
Nonperforming assets	2,716	3,840	2,745	2,900	884		543
Shares outstanding	2,640,738	2,640,738	2,640,738	2,640,738	2,501,000	1,439,750	1,408,500

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	At or for the Three Months Ended March 31, *(unaudited)*		At or for the Year Ended December 31, (Dollars in Thousands, Except Per Share Data)				
	2016	**2015**	**2015**	**2014**	**2013**	**2012**	**2011**
OPERATING DATA:							
Interest income	$ 2,523	$ 2,281	$ 9,767	$ 9,283	$ 8,369	$ 7,316	$ 5,862
Interest expense	494	425	1,820	1,823	1,735	1,792	1,615
Net interest income	2,029	1,856	7,947	7,460	6,634	5,524	4,247
Provision for loan losses	15	23	123	253	252	389	400
Noninterest income	238	215	1,101	810	503	403	427
Noninterest expenses	2,150	1,868	7,782	7,251	6,098	4,905	3,874
Net income	74	124	663	487	496	368	226
Preferred stock dividend	56	10	40	40	41	43	16
Net income available to common shareholders	18	114	623	447	455	325	210
PER SHARE DATA:							
Net income-basic	$ 0.01	$ 0.05	$ 0.25	$ 0.18	$ 0.23	$ 0.23	$ 0.15
Net income-diluted	0.01	0.05	0.25	0.18	0.23	0.23	0.15
Cash dividends declared							
Book value	8.43	8.10	8.38	8.01	8.06	8.30	8.02
OPERATING RATIOS:							
Return on average assets	0.11%	0.22%	0.27%	0.21%	0.25%	0.22%	0.17%
Return on average common equity	1.13%	1.99%	3.05%	2.36%	3.00%	3.16%	2.04%
Net interest margin (on a fully tax equivalent basis	3.38%	3.47%	3.43%	3.41%	3.48%	3.47%	3.39%
Equity to assets	10.13%	10.61%	10.03%	10.60%	10.81%	8.17%	10.06%
Dividend payout ratio							
ASSET QUALITY RATIOS:							
Nonperforming loans as a percent of gross loans	0.03%	0.45%	0.04%		0.49%		0.45%
	1.05%	1.61%	1.05%	1.22%	0.40%		0.36%

Nonperforming assets as a percent of total assets							
Allowance for loan losses as a percent of total loans	0.97%	1.04%	0.99%	1.07%	1.14%	1.15%	1.20%
Allowance for loan losses as a percent of nonperforming loans	3,431.82%	228.72%	2,368.42%		231.90%		263.90%
CAPITAL RATIOS:							
Tier 1 leverage capital ratio	10.22%	10.68%	9.94%	10.23%	10.87%	9.01%	11.12%
Common equity Tier 1 capital ratio	11.83%	11.33%	11.75%	N/A	N/A	N/A	N/A
Tier 1 risk-based capital ratio	11.83%	11.33%	11.75%	11.63%	12.40%	9.97%	12.81%
Total risk-based capital ratio	12.86%	12.33%	12.78%	12.65%	13.49%	11.07%	13.96%

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THE SPECIAL MEETING OF NEB SHAREHOLDERS

This proxy statement/prospectus is being provided to holders of NEB common stock as NEB s proxy statement in connection with the solicitation of proxies by and on behalf of its board of directors to be voted at the special meeting of NEB shareholders to be held on July 27, 2016, and at any adjournment or postponement of the special meeting. This proxy statement/prospectus is also being provided to you as Independent s prospectus in connection with the offer and sale by Independent of its shares of common stock as a result of the proposed merger.

Date, Time and Place of the Special Meeting

The special meeting is scheduled to be held as follows:

Date: July 27, 2016

Time: 10:00 a.m., Local Time

Place: The Cape Codder Resort and Spa

1225 Iyannough Road

Hyannis, Massachusetts

Purpose of the Special Meeting

At the special meeting, NEB shareholders will be asked to:

- approve the merger agreement and the transactions it contemplates, including the merger; and

- authorize the board of directors of NEB to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies in favor of the NEB merger agreement proposal or to vote on other matters properly before the special meeting.

Recommendation of NEB s Board of Directors

NEB s board of directors has unanimously determined that the merger agreement and the merger are advisable and in the best interests of NEB and its shareholders and, accordingly, unanimously recommends that NEB s shareholders vote FOR the NEB merger agreement proposal and FOR the NEB adjournment proposal.

Record Date; Shares Entitled to Vote

You are entitled to vote if the records of NEB show that you held shares of NEB common stock as of the close of business on June 10, 2016. Beneficial owners of shares held in the name of a broker, bank or other nominee (street name) should instruct their record holder how to vote their shares. As of the close of business on the record date, 2,640,738 shares of NEB common stock were outstanding. Each share of common stock has one vote on each matter presented to shareholders. If you are a beneficial owner of shares of NEB common stock held in street name and you want to vote your shares in person at the meeting, you will have to get a written proxy in your name from the broker, bank or other nominee who holds your shares.

Quorum; Vote Required

We will have a quorum and will be able to conduct the business of the special meeting only if a majority of the outstanding shares of NEB common stock entitled to vote is represented in person or by proxy at the special meeting. If you return a valid proxy card or attend the meeting in person, your shares will be counted for determining whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted for determining the existence of a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares of NEB common stock for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner.

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Approval of the NEB merger agreement proposal will require the affirmative vote of at least two-thirds of the outstanding shares of NEB common stock entitled to vote at the special meeting. **Failure to return a properly executed proxy card or to vote in person will have the same effect as a vote against the proposal. Broker non-votes and abstentions from voting will have the same effect as voting against the proposal.**

The affirmative vote of a majority of the shares voted on the NEB adjournment proposal is required to approve the NEB adjournment proposal. Broker non-votes and abstentions from voting will have no effect on the proposal.

NEB Voting Agreements

As of the record date of June 10, 2016, directors and certain executive officers of NEB solely or jointly beneficially owned 469,378 shares of NEB common stock. This equals 17.8% of the outstanding shares of NEB common stock. As of the same date, neither Independent nor any its subsidiaries, directors or executive officers owned any shares of NEB common stock. All of NEB s directors and certain of NEB s executive officers entered into voting agreements with Independent, solely in their capacities as shareholders of NEB, to vote the 469,378 shares of NEB common stock owned by them in favor of the NEB merger agreement proposal. For more information about the NEB voting agreements, see Voting Agreements.

Voting of Proxies

You may vote in person at the special meeting or by proxy. To ensure your representation at the special meeting, NEB recommends that you vote by proxy even if you plan to attend the special meeting. You can always change your vote at the special meeting.

NEB shareholders whose shares are held in street name by their broker, bank or other nominee must follow the instructions provided by their broker, bank, or other nominee to vote their shares. Your broker or bank may allow you to deliver your voting instructions via the telephone or the Internet. If your shares are held in street name and you wish to vote in person at the special meeting, you will have to obtain a legal proxy from your record holder entitling you to vote at the special meeting.

Voting instructions are included on your proxy form. If you properly complete and timely submit your proxy, your shares will be voted as you have directed. If you are the record holder of your shares of NEB common stock and submit your proxy without specifying a voting instruction, your shares of NEB common stock will be voted FOR the NEB merger agreement proposal and FOR the NEB adjournment proposal. If you return an incomplete instruction card to your broker, bank or other nominee, that nominee will not vote your shares with respect to any matter.

How to Revoke Your Proxy

You may revoke your proxy at any time before it is voted by:

- filing with the Corporate Secretary of NEB a duly executed revocation of proxy;

- submitting a new executed proxy with a later date;

voting again via the Internet or by telephone; or

voting in person at the special meeting.

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Attendance at the special meeting will not, in and of itself, constitute a revocation of a proxy. All written notices of revocation and other communication with respect to the revocation of proxies should be addressed to:

New England Bancorp, Inc.

Mark G. Sexton, Corporate Secretary

1582 Iyannough Road

Hyannis, Massachusetts 02601

Voting in Person

If you plan to attend the NEB special meeting and wish to vote in person, you will be given a ballot at the special meeting. Please note, however, that if your shares are held of record by a broker, bank, or other nominee and you wish to vote at the NEB special meeting, you must bring additional documentation from the broker, bank, or other nominee in order to vote your shares. Whether or not you plan to attend the NEB special meeting, NEB requests that you complete, sign, date, and return the enclosed proxy card as soon as possible in the enclosed postage-paid envelope, or submit a proxy through the Internet or by telephone as described on the enclosed proxy card. This will not prevent you from voting in person at the NEB special meeting but will assure that your vote is counted if you are unable to attend.

Proxy Solicitation

NEB is soliciting your proxy. NEB will pay for this proxy solicitation. In addition to soliciting proxies by mail, Laurel Hill Advisory Group, LLC, a proxy solicitation firm, will assist NEB in soliciting proxies for the special meeting. NEB will pay $5,500 for these services, plus reimbursement of reasonable out-of-pocket expenses. Additionally, directors, officers and employees of NEB and Bank of Cape Cod may solicit proxies personally and by telephone. None of these persons will receive additional or special compensation for soliciting proxies. NEB will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy materials to their customers who are beneficial owners and obtaining their voting instructions.

Dissenters Rights of Appraisal

Under applicable Massachusetts law, the holders of NEB common stock are entitled to dissenters rights of appraisal in connection with the merger.

Section 13.02(a)(1) of the Massachusetts Business Corporation Act generally provides that shareholders of Massachusetts corporations are entitled to assert appraisal rights in the event of a merger and to receive payment in cash for the fair value of their shares of stock instead of the merger consideration. NEB has concluded that NEB shareholders are entitled to exercise appraisal rights in connection with the proposed merger with Independent. NEB shareholders electing to exercise dissenters rights must comply with the provisions of Section 13 of the Massachusetts Business Corporation Act. A copy of the applicable portions of the Massachusetts Business Corporation Act is attached to this proxy statement/prospectus as Annex C. Failure to follow those provisions exactly could result in a loss of appraisal rights, in which case dissenting shareholders will receive the merger consideration with respect to their shares.

NEB shareholders who are entitled to vote on the merger and who would like to assert their appraisal rights are required to do the following pursuant to Section 13 of the Massachusetts Business Corporation Act:

Deliver written notice to NEB of their intent to demand payment for their shares of NEB common stock if the proposed merger is effectuated. The notice must be delivered before the shareholder vote to approve the merger agreement takes place. Voting against, abstaining from voting or failing to vote with respect to the merger agreement does not by itself constitute demand for appraisal for purposes of Massachusetts law. The written objection should be filed with New England Bancorp, Inc., Mark G. Sexton, Corporate Secretary, 1582 Iyannough Road, Hyannis, Massachusetts 02601.

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Refrain from voting FOR approval of the NEB merger agreement proposal. If a shareholder returns a signed and dated proxy but does not specify a vote AGAINST approval of the NEB merger agreement proposal or a direction to ABSTAIN from voting on the proposal, the proxy will be voted FOR approval of the NEB merger agreement proposal, which will have the effect of waiving their appraisal rights.

Comply with other procedures required under Section 13 of the Massachusetts Business Corporation Act. Section 13 of the Massachusetts Business Corporation Act requires that Independent deliver, within 10 days after the effective date of the merger, a written appraisal notice and forms containing certain information to all shareholders who have properly complied with the procedures for demanding appraisal. Shareholders who have received such notice and wish to exercise appraisal rights must make certain certifications to Independent and deposit their share certificates with Independent in order to perfect their appraisal rights. Each shareholder that has properly perfected their appraisal rights will be entitled to a cash payment of the estimated fair value of the shares, plus interest but subject to any applicable withholding taxes, within 30 days of the written appraisal notice and forms due date, except for shareholders who acquired their shares on or after March 17, 2016, who are not entitled to payment until they accept the offer from Independent. A shareholder that fails to execute and return the forms, and comply with the terms stated therein, will not be entitled to such a payment.

If a dissenting shareholder believes that the amount paid or offered to be paid by Independent is less than the fair value of their shares, the dissenting shareholder is required, within 30 days of receipt of the payment or offer of payment, to notify Independent in writing of such shareholder s own estimate of the fair value of the shares and demand payment of such amount plus interest, less any payment received. If such demand for payment is not settled within 60 days of Independent s receipt thereof, Independent is required to petition the court to determine the fair value of the shares and accrued interest or, if such petition is not made, to pay the amount demanded plus interest to the dissenting shareholder.

The foregoing summary is not intended to be a complete statement of the procedures for exercising appraisal rights under Massachusetts law. Any shareholder who believes they are entitled to appraisal rights and wishes to preserve those rights should carefully review Sections 13.01 through 13.31 of the Massachusetts Business Corporation Act, which are attached as Annex C to this proxy statement/prospectus, which set forth the procedures to be complied with in perfecting any such rights. Shareholders who wish to dissent from the merger and pursue their appraisal rights should consult with legal counsel to ensure strict compliance with statutory procedures and avoid the loss of any appraisal rights to which they may be entitled. Dissenting shareholders should also consult with a tax advisor regarding the tax consequences of exercising their appraisal rights under Massachusetts law.

Stock Certificates

You should not send in any certificates representing NEB common stock at this time. If and when the merger is consummated, you will receive separate instructions for the exchange of your certificates representing NEB common stock. For more information regarding these instructions, please see the section in this document titled The Merger Agreement Exchange of NEB Stock Certificate for Independent Stock Certificates beginning on page 60 of this document.

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PROPOSAL NO. 1

APPROVAL OF THE AGREEMENT AND PLAN OF MERGER

At the NEB special meeting, shareholders will consider and vote on the NEB merger agreement proposal. Details about the merger, including each party s reasons for the merger, the effect of approval of the agreement and plan of merger and the timing of effectiveness of the merger, are discussed in the section entitled The Merger beginning on page 38 of this document.

Approval of the NEB merger agreement proposal requires the presence of a quorum and the affirmative vote of the holders of at least two-thirds of the shares of common stock of NEB entitled to vote at the special meeting.

NEB s board of directors unanimously recommends that NEB shareholders vote FOR approval of the NEB merger agreement proposal.

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PROPOSAL NO. 2

APPROVAL OF NEB TO ADJOURN OR POSTPONE THE SPECIAL MEETING, IF NECESSARY, TO PERMIT FURTHER SOLICITATION OF PROXIES

NEB is submitting a proposal for consideration at the NEB special meeting to authorize the named proxies to authorize the board of directors of NEB to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies in favor of the NEB merger agreement proposal or to vote on other matters properly before the special meeting. Even though a quorum may be present at the NEB special meeting, it is possible that NEB may not have received sufficient votes to approve the NEB merger agreement proposal by the time of the meeting. In that event, the board of directors of NEB would need to adjourn the NEB special meeting in order to solicit additional proxies. This proposal relates only to authorization of the board of directors of NEB to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies in favor of the NEB merger agreement proposal or to vote on other matters properly before the special meeting. If the NEB special meeting is adjourned for less than 30 days, NEB is not required to give notice of the time and place of the adjourned meeting if the new time and place is announced at the special meeting before adjournment, unless the board of directors of NEB fixes a new record date for the NEB special meeting.

The vote required to approve the NEB adjournment proposal is the affirmative vote of a majority of the shares voted on the proposal. Abstentions and broker non-votes will have no effect on the outcome of voting on this proposal.

NEB s board of directors unanimously recommends that NEB shareholders vote FOR the NEB adjournment proposal or to vote on other matters properly before the special meeting.

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THE MERGER

The discussion in this proxy statement/prospectus of the merger and the principal terms of the merger agreement are subject to, and are qualified in their entirety by reference to, the merger agreement, a copy of which is attached to this proxy statement/prospectus as Annex A and is incorporated into this proxy statement/prospectus by reference.

General

The merger is structured as a stock for stock transaction. Under the terms and conditions set forth in the merger agreement, NEB will merge with and into Independent, with Independent surviving the merger. At the effective time of the merger, each share of NEB common stock outstanding immediately prior to the effective time will, by virtue of the merger and without any action on the part of the shareholder, be converted into the right to receive 0.25 of a share of Independent common stock. The 0.25 exchange ratio may be adjusted to reflect the effect of any stock split, split-up, reverse stock split, stock dividend, reorganization, recapitalization, reclassification, or other similar change with respect to the common stock of Independent or NEB that occurs before the merger. Independent will not issue any fractional shares of its common stock in the merger, but will instead pay cash (determined on the basis of the Closing VWAP) for any fractional share a NEB shareholder would otherwise receive after aggregating all of his or her shares.

All outstanding unvested NEB stock options and unvested shares of restricted NEB common stock will become fully vested immediately prior to the effective time of the merger. NEB options will be cancelled upon consummation of the merger, and each option holder will receive a cash payment upon such cancellation in an amount equal to the product of (i) the number of shares of NEB common stock provided for by such option and (ii) the excess, if any, of the Closing VWAP multiplied by the exchange ratio of 0.25 over the exercise price of such option. All shares of accelerated restricted stock will be treated as outstanding NEB shares for all purposes under the merger agreement, including the holders right to receive the merger consideration.

Under the merger agreement, each holder of a warrant to purchase NEB common stock will receive, upon consummation of the transaction, a cash payment in settlement of the NEB warrant equal to the product of (i) the number of shares of NEB common stock provided for by such warrant and (ii) the excess, if any, of the Closing VWAP multiplied by the exchange ratio of 0.25 over the exercise price of such warrant.

If an NEB warrant holder exercises all or a portion of its warrant prior to the maturity date of the warrant, the NEB warrant holder will be entitled to purchase such number of shares of NEB common stock underlying such portion of the warrant. Each share of NEB common stock acquired through the exercise of warrants will then be exchanged in the merger for 0.25 of a share of Independent common stock. If an NEB warrant holder does not exercise its warrant prior to the maturity date of the warrant, the warrant will be terminated in accordance with its terms.

If a holder of a convertible subordinated note issued by NEB exercises its right to convert all or a portion of such convertible subordinated note prior to the closing of the merger, such holder will be entitled to acquire such number of shares of NEB common stock underlying such portion of the convertible subordinated note. Each share of NEB common stock acquired through the conversion of the convertible subordinated note will then be exchanged in the merger for 0.25 of a share of Independent common stock. To the extent that the convertible subordinated notes are not redeemed on or prior to the effective time of the merger, those convertible subordinated notes will be assumed by Independent pursuant to the terms of the notes.

Based on the number of shares of NEB common stock outstanding on June 10, 2016, it is expected that approximately 660,184 shares of Independent common stock will be issued to NEB shareholders in connection with the merger, which would represent approximately 2.45% of the outstanding Independent common stock (based on the number of shares of Independent common stock outstanding as of June 10, 2016 and the number of shares of Independent common stock to be issued to NEB shareholders in connection with the merger, assuming the exercise of all outstanding NEB stock options and NEB warrants and the conversion of all outstanding convertible subordinated notes).

Background of the Merger

Since its formation in 2006, Bank of Cape Cod (and NEB after its formation in 2010) has worked to build a well-respected franchise based upon its commitment to serving its customers and responding to the banking needs of small and mid-sized businesses in its market area. As a result, its commercial lending portfolio has steadily grown. At the same time, the Board of Directors of NEB has remained aware of its obligations to maximize shareholder value. Towards this end, NEB has periodically engaged in informal discussions with depository institutions that have expressed interest in exploring a potential affiliation with, or acquisition of, NEB. The Board of Directors of NEB has evaluated the potential risks and benefits of such opportunities as well as the ability of NEB to continue to grow and deliver value to its shareholders and other constituencies as an independent organization.

Late in 2013, NEB engaged an investment banker to assist NEB in exploring a possible sale of the company. Seven potential buyers were contacted. In December 2013, two of the companies contacted provided written expressions of interest and three companies expressed interest orally. Ultimately, in January 2014, NEB began negotiating with a Massachusetts-chartered institution (Company A), which offered a price of $12.50 per share in an all-cash transaction. However, by March 2014, after discussing the transaction with its regulators, Company A determined it would likely not receive the requisite regulatory approvals to consummate a transaction and, therefore, withdrew its offer.

Following the withdrawal of the offer from Company A, the Board of Directors of NEB decided to expand the companies that it would contact to pursue a potential merger. In late March 2014, NEB, along with its investment banker, prepared a confidential information memorandum for distribution to interested parties. Thirty different institutions were contacted, of which 19 executed confidentiality agreements and received the confidential information memorandum. However, only one institution, a Massachusetts-chartered institution (Company B) submitted a bid, for an all-cash transaction at a price of between $9.28 and $9.67 per share. The Board of Directors of NEB determined that such offer was not in the best interests of its shareholders and decided not to proceed with Company B.

On June 10, 2015, Timothy T. Telman, President and Chief Executive Officer of NEB, met with a director of Independent with whom he had a previous relationship to inquire whether Independent might have an interest in acquiring NEB. That director indicated that he would refer Mr. Telman s inquiry to Christopher Oddleifson, the President and Chief Executive Officer of Independent.

On July 1, 2015, Mr. Telman met with Mr. Oddleifson to discuss the possibility of a business combination between the two parties. Messrs. Telman and Oddleifson discussed their franchises and business cultures and philosophies. No discussions about specific pricing occurred at that time.

On August 20, 2015, Mr. Telman met with Mr. Oddleifson, Independent s Chief Financial Officer, and Executive Vice President, Commercial Lending. Mr. Telman discussed NEB s franchise and history and the benefits that could accrue to both parties through a business combination.

On October 22, 2015, Mr. Telman met with the President and Chief Executive Officer of a Massachusetts-based institution (Company C), who had initiated the meeting. The meeting focused on each parties franchises and business cultures and philosophies. No discussions about specific pricing occurred at that time. The President and Chief Executive Officer indicated that he was interested in further exploration of a business combination and suggested that

Mr. Telman meet with other members of Company C s senior management.

On November 12, 2015, Messrs. Telman and Oddleifson met again. During that meeting Mr. Oddleifson indicated that Independent was willing to consider a transaction with NEB.

On November 13, 2015, NEB and Independent entered into a confidentiality agreement.

On November 18, 2015, Mr. Telman met with the President and Chief Executive Officer and two other executives of Company C. The meeting focused on each parties franchises and business cultures and philosophies. No specific pricing terms were discussed at the meeting. The President and Chief Executive Officer of Company C reiterated his interest in the NEB franchise and indicated that he could send a confidentiality to NEB so that Company C could conduct further diligence.

Mr. Telman continued to speak with Mr. Oddleifson and the President and Chief Executive Officer of Company C throughout December of 2015.

On December 7, 2015, a confidential electronic data room containing diligence materials requested by Independent relating to NEB was made available.

On December 14, 2015, NEB and Company C entered into a confidentiality agreement.

On December 22, 2015, Independent submitted a non-binding indication of interest letter, which offered a value of $11.00 per share to shareholders of NEB based on a fixed exchange ratio of 0.2283 shares of Independent common stock for each share of NEB common stock. The offer consisted of consideration of 80-100% stock and, if Independent common stock was not the sole form of consideration, cash, at a price of $11.00 per share, for the remainder of NEB s shares of common stock.

On December 28, 2015, Piper Jaffray provided a preliminary analysis to Company C for a potential transaction with NEB, with a range of values between $10.00 and $12.00 per share.

On December 30, 2015, the Board of Directors met with management and representatives of Piper Jaffray to discuss the details of the indication of interest letter from Independent. Representatives of Piper Jaffray provided presentation materials to the Board of Directors. The Piper Jaffray presentation included a summary of the indication of interest and the earnings accretion that NEB shareholders would obtain through a transaction with Independent. Representatives of Piper Jaffray compared the impact of a potential transaction on Independent and Company C (assuming a price at the midpoint of the price range it provided to Company C). Representatives of Piper Jaffray also provided a summary of NEB s historical financial information, a list of comparable merger transactions and a summary of Independent s franchise, including an analysis of its most recent acquisition.

After receiving guidance from the Board of Directors of NEB at its board meeting, representatives of Piper Jaffray notified Independent of NEB s desire to receive $12.00 per share in an all-stock transaction.

On January 5, 2016, representatives of Piper Jaffray, at the direction of NEB s management, held discussions with the financial advisor to Company C, in which the advisor indicated that Company C s Board of Directors had discussed a possible transaction and, while Company C remained interested, its level of interest would likely be at the lower end of the range contained in the materials prepared by Piper Jaffray.

On January 5, 2016, NEB received a revised indication of interest letter from Independent. The revised letter offered a price between $11.00 to $11.50 per share to shareholders of NEB based on a fixed exchange ratio of between 0.2339 and 0.2446 shares of Independent common stock for each share of NEB common stock. The offer consisted of all stock consideration.

On January 11, 2016, the Board of Directors met with management and representatives of Piper Jaffray to discuss the details of the revised indication of interest letter. Representatives of Piper Jaffray provided

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presentation materials to the Board of Directors. The Piper Jaffray presentation included a summary of the process with Independent and Company C to date and a summary of the terms of Independent s revised indication of interest. Representatives of Piper Jaffray presented analysis regarding NEB s range of values on a stand-alone basis and assuming a change in control, and a summary of peer companies and comparable merger transactions. During the presentation, the Board of Directors and representatives of Piper Jaffray discussed the comparative impact of the transaction on Independent and Company C, including how Independent, because of the relative strength of its currency, would realize accretion to tangible book value compared to dilution to tangible book value for Company C and that Independent would have a higher level of capital following the proposed transaction. Piper Jaffray also provided a summary of NEB s historical financial information, a list of comparable merger transactions and a summary of Independent s franchise, including a summary of its most recent acquisition. A representative of Luse Gorman, PC, NEB s legal advisors, also participated in the meeting and summarized the directors fiduciary duties, specifically in the context of a change of control, and discussed with the Board the steps that would still be required in the merger process.

Following discussion, the Board of Directors voted to authorize management: (1) to proceed with the negotiation of a definitive agreement substantially consistent with the terms outlined in the indication of interest letter for presentation to and consideration by the Board of Directors at the earliest practicable date; and (2) to take all necessary and appropriate action on behalf of NEB toward such end, including, in consultation with NEB s legal and financial advisors, conducting a due diligence investigation of Independent and negotiating any ancillary documents concurrently with the negotiation of the definitive agreement. The Board of Directors also authorized Mr. Telman to execute and deliver a 45-day Exclusivity Agreement with Independent, and he promptly did so.

On January 19, 2016, Mr. Telman met with Mr. Oddleifson and an Independent Human Resources representative. The parties discussed the NEB organizational chart and potential staffing opportunities following the merger. The Independent representatives discussed their history of successfully integrating employees in their previous acquisitions.

On January 21, 2016, Independent convened a meeting of its Board of Directors. During that meeting Independent s management described a potential transaction to acquire NEB, answering any questions posed.

On January 23 and 24, 2016, Independent, with the assistance of an independent third party loan review firm, conducted a loan review of NEB s loan portfolio. Independent representatives also reviewed other due diligence materials at the same time.

On January 28, 2016, Day Pitney LLP, the legal counsel for Independent, provided Luse Gorman with a draft of the merger agreement.

On January 29, 2016, Mr. Telman had a call with Mr. Oddleifson with regard to outstanding diligence items and the expectations regarding the NEB branches following the completion of the transaction.

On February 12, 2016, NEB executed a confidentiality agreement with Independent with respect to information to be provided by Independent in response to NEB s due diligence information requests. On February 17, 2016, Mr. Telman and representatives of Piper Jaffray and Luse Gorman met at the Independent offices to review diligence materials provided by Independent and interview members of Independent s management team.

On February 19, 2016, Mr. Telman had a call with Mr. Oddleifson to continue the pricing discussion. Mr. Telman requested an increase in the exchange ratio to 0.25 shares of Independent common stock for each share of NEB common stock.

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On February 22, 2016, NEB received a revised indication of interest letter from Independent. The revised letter increased the fixed exchange ratio to 0.25 shares of Independent common stock for each share of NEB common stock. The offer remained all-stock consideration. In connection with the revised indication of interest, Independent requested an extension of the Exclusivity Agreement until March 31, 2016. NEB agreed to extend the exclusivity period.

Following the Board meeting and continuing through the middle of March 2016, the parties, along with their legal counsel, continued to review and negotiate the merger agreement, along with various other ancillary documents. Also, the senior management teams of NEB and Independent met several times to discuss the retention and integration of the NEB lending team.

On March 15, 2016, a meeting of the NEB Board of Directors was convened. NEB s senior management legal and financial advisors participated in the meeting. A copy of the merger agreement that had been negotiated to date, as well as certain ancillary documents, had been sent to the members of the Board of Directors on March 11, 2016. Representatives of Luse Gorman reviewed in detail the terms of the merger agreement and ancillary documents, including the: (1) voting agreements to be entered into by the directors and senior management; and (2) settlement agreements and consulting and non-competition agreements to be entered into by members of management. Representatives of Luse Gorman also discussed the proposed resolutions that the Board would be requested to approve. The Board of Directors was informed of the results of management s due diligence review of Independent. Representatives of Piper Jaffray made a presentation, a copy of which had been sent in advance to the directors, in which it summarized the transaction terms, the pricing metrics for the transaction and compared those against comparable merger transactions. The Piper Jaffray presentation included an overview of NEB s valuation on a stand-alone basis and assuming a change in control and presented several methodologies under which Piper Jaffray arrived at valuations for NEB, including comparing NEB to comparable public companies, a discounted cash flow analysis, and a comparison of the pricing metrics for this transaction against comparable merger transactions.

On the morning of March 17, 2016, NEB convened a meeting of its Board of Directors. Legal counsel noted that no material changes to the agreement or the ancillary documents had been made since the drafts previously provided to the Board. Representatives of Piper Jaffray made a presentation regarding the fairness of the proposed merger consideration to NEB s shareholders from a financial point of view and delivered its written opinion, dated March 17, 2016, that, subject to the limitations and qualifications set forth in the opinion, the merger consideration was fair to NEB s shareholders from a financial point of view.

Following these presentations and discussions and review and discussion among the members of the NEB Board of Directors, including consideration of the factors described under NEB s Reasons of the Merger and Recommendation of NEB s Board of Directors, the NEB Board of Directors determined that the merger agreement and the transactions contemplated thereby, including the merger of NEB and Independent, were advisable and in the best interests of NEB and its shareholders and the directors unanimously voted to adopt the merger agreement and the transactions contemplated thereby and recommended that NEB s shareholders approve the merger agreement.

On the afternoon of March 17, 2016, Independent convened a meeting of its Board of Directors to consider Independent s proposed acquisition of NEB. Management reviewed the material terms and conditions of the proposed merger agreement and ancillary agreements that had been negotiated, copies of which had been provided to the Board on March 11, 2016, answering any questions posed. Management also reviewed the business terms and financial expectations of the proposed acquisition, and a detailed risk assessment of the proposed acquisition, answering any questions posed. In addition, Keefe, Bruyette & Woods, Inc., an investment bank engaged by Independent solely to provide certain financial advisory opinion services to the board of directors of Independent in connection with the proposed merger, reviewed the financial aspects of the proposed merger and delivered to the board of directors of

Independent its opinion that, as of March 17, 2016 and subject

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to certain limitations, assumptions and qualifications, the exchange ratio was fair to Independent, from a financial point of view. Following those presentations and discussions, and a discussion by the Independent Board of Directors of the proposed acquisition, which considered the factors described below under Independent s Reasons for the Merger, the Independent Board of Directors determined that the merger agreement and the transactions contemplated thereby, including the merger of NEB with and into Independent, with Independent the surviving entity, were advisable and in the best interests of Independent and its shareholders. The Independent Board of Directors then unanimously voted to approve the proposed acquisition of NEB and to authorize the merger agreement and the transactions contemplated thereby.

Following the completion of the NEB and Independent board meetings, the merger agreement and ancillary documents were executed and delivered.

After the close of the trading markets on March 17, 2016, Independent and NEB issued a joint press release announcing the approval, adoption, and execution of the merger agreement.

Recommendation of NEB s Board of Directors

NEB s board of directors has unanimously approved the merger agreement and unanimously recommends that NEB shareholders vote FOR the approval of the NEB merger agreement proposal.

NEB s Reasons for the Merger

In reaching the conclusion that the merger agreement is in the best interests of and advisable for NEB and its shareholders, and in approving the merger agreement, NEB s Board of Directors consulted with senior management, its legal counsel and financial advisor and considered a number of factors, including, among others, the following, which are not presented in order of priority:

- the business strategy and strategic plan of NEB, its prospects for the future and projected financial results;

- the consideration offered by Independent, which represents: 138.8% of NEB s tangible book value; 47.5x of NEB s trailing twelve-month earnings; and a 6.0% core deposit premium;

- on a pro forma basis the transaction is expected to result in 79% accretion to earnings for the NEB shareholders in the first full year after completion of the transaction;

- the understanding of NEB s Board of Directors of the strategic options available to NEB and the Board of Directors assessment of those options with respect to the prospects and estimated results of the execution by NEB of its business plan as an independent entity under various scenarios and the determination that none of those options or the execution of the business plan was more likely to create greater present value for NEB s shareholders than the value to be paid by Independent;

the challenges facing NEB s management to grow NEB s franchise and enhance shareholder value given current market conditions, including increased operating costs resulting from regulatory and compliance mandates, continued pressure on net interest margin from the current interest rate environment and competition;

the merger consideration offered by Independent equaled or exceeded the consideration that could reasonably be expected from other potential acquirers with apparent ability to consummate an acquisition of NEB;

the strong capital position, the larger scale and more diverse revenue base of the combined company;

the ability of Independent to pay the merger consideration and the relative value of the Independent currency compared to peers;

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the ability of Independent to execute a merger transaction from a financial and regulatory perspective and its excellent history of being able to successfully integrate merged institutions into its franchise;

the effect of the merger on Bank of Cape Cod s depositors, customers, and the communities served by Bank of Cape Cod, as well as its effect on Bank of Cape Cod s employees;

the opportunity to provide depositors, customers, and the communities served by Bank of Cape Cod with increased financial services and increased access to those services through more branch offices;

the opportunities for career advancement in a larger organization that would be available to NEB employees who continue employment with the combined company after the merger and the severance benefits provided for in the merger agreement for any NEB employees who do not continue employment with the combined company;

Independent s business, operations, financial condition, asset quality, earnings and prospects, taking into account the results of NEB s due diligence review of Independent, and information provided by NEB s financial advisor;

the historical stock market performance for Independent common stock;

the higher legal lending limit and an expanded set of products and services that could benefit NEB s customers;

the structure of the merger, including that the merger is intended to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes;

the greater market capitalization, strong dividend and the trading liquidity of the common stock of Independent;

the terms of the merger agreement, including the representations and warranties of the parties, the covenants, the consideration, the benefits to NEB s employees and the absence of burdensome contingencies in the merger agreement;

the financial analysis presented by Piper Jaffray to the NEB s Board of Directors, and the opinion delivered to the NEB s Board of Directors by Piper Jaffray to the effect that, as of the date of the opinion, and subject to and based on the qualifications and assumptions set forth in the opinion, the merger consideration to be received by the holders of common stock of NEB in the merger is fair, from a financial point of view, to such shareholders; and

- the likelihood of expeditiously obtaining the necessary regulatory approval without unusual or burdensome conditions.

The NEB Board of Directors also considered a number of potential risks and uncertainties associated with the merger in connection with its deliberation of the proposed transaction, including, without limitation, the following:

- the potential risk of diverting management attention and resources from the operation of NEB s business and towards the completion of the merger;

- the restrictions on the conduct of NEB s business before the completion of the merger, which are customary for merger agreements involving financial institutions, but which, subject to specific exceptions, could delay or prevent NEB from undertaking business opportunities that may arise or any other action it would otherwise take with respect to the operations of NEB absent the pending merger;

- the potential risks associated with achieving anticipated cost synergies and savings and successfully integrating NEB s business, operations and workforce with those of Independent;

- the merger-related costs;

- that the interests of certain of NEB s directors and executive officers may be different from, or in addition to, the interests of NEB s other shareholders as described under the heading The Merger Interests of NEB s Executive Officers and Directors in the Merger ;

- the risk that the conditions to the parties obligations to complete the merger agreement may not be satisfied, including the risk that necessary regulatory approvals or the NEB shareholder approval might not be obtained and, as a result, the merger may not be consummated;

- the risk of potential employee attrition and/or adverse effects on business and customer relationships as a result of the pending merger;

- that: (1) NEB would be prohibited from affirmatively soliciting acquisition proposals after execution of the Merger Agreement; and (2) NEB would be obligated to pay to Independent a termination fee if the merger agreement is terminated under certain circumstances, which may discourage other parties potentially interested in a strategic transaction with NEB from pursuing such a transaction; and

- the other risks described under the heading Risk Factors.

The foregoing discussion of the information and factors considered by the Board of Directors of NEB is not intended to be exhaustive, but includes the material factors considered by the Board of Directors of NEB. In reaching its decision to approve the merger agreement, the merger and the other transactions contemplated by the merger agreement, the Board of Directors of NEB did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. The Board of Directors of NEB considered all these factors as a whole, including discussions with, and questioning of NEB s management and NEB s independent financial and legal advisors, and overall considered the factors to be favorable to, and to support, its determination.

The Board of Directors of NEB unanimously approved the merger agreement and recommends that NEB s shareholders vote **FOR** the approval of the NEB merger agreement proposal and **FOR** the adjournment proposal. NEB shareholders should be aware that NEB s directors and executive officers have interests in the merger that are different from, or in addition to, those of other NEB shareholders. The Board of Directors of NEB was aware of and considered these interests, among other matters, in evaluating and negotiating the merger agreement, and in recommending that the Merger Proposal be approved by the shareholders of NEB. See Interests of NEB s Executive Officers and Directors in the Merger.

This summary of the reasoning of the Board of Directors of NEB and other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading Forward-Looking Statements.

Independent s Reasons for the Merger

Independent s board of directors determined that the merger agreement and the merger are advisable and in the best interests of Independent and its shareholders. Accordingly, Independent s board of directors adopted and approved the merger agreement.

The Independent board of directors unanimously approved the merger agreement and the merger because it determined that the merger should strengthen Independent s existing franchise and increase long-term shareholder value because Bank of Cape Cod is, like Rockland Trust, a bank that is deeply committed to its customers, employees, and the communities that it serves. The merger should provide Rockland Trust with greater access to customers and potential customers and improve Independent s deposit market share in Barnstable County, Massachusetts. The transaction is financially attractive to Independent and its shareholders because it allows Independent to add Bank of Cape Cod s loan and deposit base to that of Independent while simultaneously providing Independent with the opportunity to maintain and deepen relationships with Bank of

Cape Cod s customers by offering Independent s deeper set of products. The Independent board of directors believes that the combined company should have the potential to realize a stronger competitive position and improved long-term operating and financial results, including revenue and earning enhancements. In addition, Independent s financial advisor, Keefe, Bruyette & Woods, Inc., reviewed in detail with the board of directors the financial aspects of the proposed merger and delivered its opinion that as of March 17, 2016 and subject to the limitations, assumptions and qualifications set forth therein, the exchange ratio was fair to Independent, from a financial point of view.

After taking into account these and other factors, the Independent board of directors determined that the merger agreement and the merger were in the best interests of Independent and its shareholders and that Independent should enter into the merger agreement and complete the merger. Independent s board of directors evaluated the factors described above, including asking questions of Independent s management and Independent s legal and financial advisers, and reached the unanimous decision that the merger was in the best interests of Independent and its shareholders, its employees, its customers and the communities served by Independent. This discussion of the factors considered by Independent s board of directors is not exhaustive, but includes all material factors considered by the board. Independent s board of directors considered these factors as a whole, and overall considered them to be favorable to, and to support, its determination. Independent s board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. In considering the factors described above, individual members of Independent s board of directors may have given different weights to different factors. Independent s board of directors considered these factors as a whole, and overall considered them to be favorable to, and to support, its determination.

Opinion of NEB s Financial Adviser

Pursuant to an engagement letter dated January 13, 2016, the NEB board engaged Piper Jaffray as financial advisor to NEB in connection with the merger with Independent. Piper Jaffray is a nationally recognized investment banking firm with substantial experience in transactions similar to the merger and is familiar with NEB and its business. As part of its investment banking business, Piper Jaffray is routinely engaged in the valuation of financial services companies and their securities in connection with mergers and acquisitions. The Piper Jaffray written opinion, dated March 17, 2016, is sometimes referred to in this section as the Piper Jaffray opinion.

Piper Jaffray acted as financial advisor to NEB in connection with the proposed transaction and participated in certain of the negotiations leading to the execution of the merger agreement. At the meeting of the board of directors of NEB held on March 17, 2016, Piper Jaffray delivered to the board of directors its oral opinion, followed by delivery of its written opinion, that, as of such date, and based upon and subject to the various factors, assumptions and limitations set forth in its opinion, the consideration offered in the merger was fair, from a financial point of view, to the holders of NEB common stock.

The full text of Piper Jaffray s written opinion dated March 17, 2016, which sets forth, among other things, the procedures followed, assumptions made, matters considered and qualifications and limitations on the scope of review undertaken in rendering its opinion, is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference. Piper Jaffray s opinion speaks only as of the date of the opinion. You are urged to read the opinion carefully and in its entirety. Piper Jaffray s opinion was addressed to, and provided for the information and benefit of, the NEB board of directors (in its capacity as such) in connection with its evaluation of the fairness of the merger consideration from a financial point of view, and did not address any other aspects or implications of the merger. The opinion does not constitute a recommendation to the NEB board of directors or to any other persons in respect of the merger, including as to how any holder of NEB common stock should vote at any stockholders meeting held in connection with the merger or take, or not to take, any action in respect of the merger. Piper Jaffray s opinion does not address the relative merits of the

merger as compared to any other business or financial strategies that might be available to NEB, nor does it address the underlying business decision of NEB to engage in the merger. The issuance of the Piper Jaffray opinion was approved by a

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fairness opinion committee of Piper Jaffray. The summary of the opinion of Piper Jaffray set forth below is qualified in its entirety by reference to the full text of the opinion. Piper Jaffray has consented to the inclusion of this summary of its opinion in this joint proxy statement/prospectus.

In rendering its opinion, Piper Jaffray reviewed, among other things:

a draft of the merger agreement dated as of March 16, 2016;

certain financial and other data with respect to NEB and Independent, which was publicly available or made available to us by NEB or Independent;

certain forward-looking information relating to NEB and Independent that was publicly available, as well as that was furnished to us by NEB or Independent, including internally prepared forecasts of NEB s expected operating results on a stand-alone basis;

materials detailing the merger prepared by NEB, Independent and by their respective legal and accounting advisors including the estimated amount and timing of the cost savings and related expenses and purchase accounting adjustments expected to result from the merger (which are collectively referred to in this section as the Synergies);

current and historical reported prices and trading activity of Independent and similar information for certain other publicly traded companies deemed by us to be comparable to NEB and Independent;

the financial performance of NEB and Independent with that of certain other publicly traded companies that Piper Jaffray deemed relevant;

certain financial analyses for NEB and Independent on a pro forma combined basis giving effect to the merger based on assumptions relating to the Synergies;

the merger consideration relative to NEB s tangible book value, core deposits (deposits less all jumbo time deposits and brokered deposits) and last twelve months earnings as of December 31, 2015;

the current market environment generally and the commercial banking environment in particular;

the financial terms of certain business combination transactions in the commercial banking industry that Piper Jaffray deemed relevant; and such other analyses, examinations and inquiries.

Piper Jaffray also considered such other financial, economic and market criteria as Piper Jaffray deemed necessary in arriving at its opinion.

Piper Jaffray also held several discussions with certain members of senior management and representatives of both NEB and Independent with respect to certain aspects of the merger, and the past and current business operations of NEB and Independent, the financial condition and future prospects and operations of NEB and Independent, the effects of the merger on the financial condition and future prospects of Independent, and certain other matters Piper Jaffray believed necessary or appropriate to its inquiry.

In arriving at its opinion, Piper Jaffray relied upon and assumed, without assuming liability or responsibility for independent verification, the accuracy and completeness of all information that was publicly available or was furnished, or otherwise made available to, or discussed with or reviewed by Piper Jaffray. Piper Jaffray further relied upon the assurances of the management of NEB and Independent that the financial information provided was prepared on a reasonable basis in accordance with industry practice, and that they are not aware of any information or facts that would make any information provided to Piper Jaffray materially incomplete or misleading. Without limiting the generality of the foregoing, Piper Jaffray assumed that with respect to financial forecasts, estimates and other forward-looking information (including the Synergies) reviewed by Piper Jaffray, that such information was reasonably prepared based on assumptions reflecting the best currently available estimates and judgments of the management of NEB and Independent as to the expected future results of operations and financial condition of NEB and Independent, respectively, to which such financial forecasts,

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estimates and other forward-looking information (including the Synergies) relate and Piper Jaffray assumed that such results would be achieved. Piper Jaffray expressed no opinion as to any such financial forecasts, estimates or forward-looking information (including the Synergies) or the assumptions on which they were based. Piper Jaffray further assumed that the merger will qualify as a tax-free reorganization for United States federal income tax purposes. Piper Jaffray also expressed no opinion as to any of the legal, accounting and tax matters relating to the merger and any other transactions contemplated in connection therewith.

In arriving at its opinion, Piper Jaffray assumed that the executed agreement will be in all material respects identical to the last draft reviewed by it. Piper Jaffray relied upon and assumed, without independent verification, that:

- the representations and warranties of all parties to the agreement and all other related documents and instruments that are referred to therein are true and correct in all material respects;
- each party to such agreements will fully and timely perform all of the covenants and agreements required to be performed by such party in all material respects;
- the merger will be consummated pursuant to the terms of the agreement without material amendments thereto; and
- all conditions to the consummation of the merger will be satisfied without waiver by any party of any conditions or obligations thereunder.

Additionally, Piper Jaffray assumed that all the necessary regulatory approvals and consents required for the merger will be obtained in a manner that will not adversely affect NEB and Independent or the contemplated benefits of the merger.

For purposes of rendering its opinion, Piper Jaffray did not perform any appraisals or valuations of any specific assets or liabilities (fixed, contingent, derivative, off-balance sheet, or other) of NEB or Independent, and was not furnished or provided with any such appraisals or valuations, and did not evaluate the solvency of NEB or Independent under any state or federal law relating to bankruptcy, insolvency or similar matters. Accordingly, Piper Jaffray expressed no opinion regarding the liquidation value of NEB, Independent or any other entity. Piper Jaffray assumed that there was no material change in the respective assets, financial condition, results of operations, business or prospects of NEB or Independent since the date of the most recent financial data made available to Piper Jaffray. Piper Jaffray also assumed in all respects material to its analysis that NEB and Independent would remain as a going concern for all periods relevant to its analysis. Without limiting the generality of the foregoing, Piper Jaffray did not conduct a review of:

- any individual credit files of NEB or Independent, nor evaluate the adequacy of the loan or lease reserves of NEB or Independent;

any credit mark that may be taken in connection with the merger, nor evaluate the adequacy of any contemplated credit mark to be so taken; or

the collectability of any asset or the future performance of any loan of NEB or Independent.

Piper Jaffray also assumed, with NEB s consent, that the respective allowances for loan and lease losses for both NEB and Independent, and the credit mark are adequate to cover any losses and will be adequate on a pro forma basis for the combined company. Accordingly, Piper Jaffray expressed no opinion with respect to these matters.

In addition, Piper Jaffray did not make any independent analysis of any pending or threatened litigation, regulatory action, possible unasserted claims or other contingent liabilities to which NEB or Independent is a party or may be subject, and at the direction of NEB and with its consent, Piper Jaffray s opinion makes no assumption concerning, and therefore does not consider, the possible assertion of claims, outcomes or damages arising out of any such matters. Piper Jaffray also assumed that neither NEB nor Independent is party to any material pending transaction, including without limitation any financing, recapitalization, acquisition or merger, divestiture or spin-off, other than the merger and the merger of the principal banking subsidiaries of NEB and Independent contemplated by the agreement.

The Piper Jaffray opinion is necessarily based on economic, market and other conditions and upon the information made available to Piper Jaffray and facts and circumstances as they exist and are subject to evaluation as of the date of the Piper Jaffray opinion. It should be understood events occurring after the date of the Piper Jaffray opinion could materially affect the assumptions used in preparing the Piper Jaffray opinion. Further, Piper Jaffray expressed no opinion as to the price at which shares of the common stock of Independent may trade following announcement of the merger or at any future time.

The Piper Jaffray opinion addresses solely the fairness, from a financial point of view, to holders of NEB common stock of the proposed merger consideration set forth in the agreement and does not address any other terms or agreement relating to the merger or any other terms of the agreement. Piper Jaffray was not requested to opine as to, and the Piper Jaffray opinion does not address, the basic business decision to proceed with or effect the merger, the merits of the merger relative to any alternative transaction or business strategy that may be available to NEB, any other terms contemplated by the agreement or the fairness of the merger to any other class of securities, creditor or other constituency of NEB. Furthermore, Piper Jaffray expressed no opinion with respect to the amount or nature of compensation to any officer, director or employee of any party to the merger, or any class of such persons, relative to the merger consideration to be received by holders of NEB common stock in the merger or with respect to the fairness of any such compensation, including whether such payments are reasonable in the context of the merger.

The internal NEB earnings and balance sheet projections furnished to Piper Jaffray and used by it in certain of its analyses were prepared by NEB s management team (the NEB Projections). NEB does not publicly disclose internal management projections of the type provided to Piper Jaffray in connection with its review of the merger. As a result, such projections were not prepared with an expectation of public disclosure. The NEB Projections were based on numerous variables and assumptions, which are inherently uncertain, including, without limitation, factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from those set forth in the NEB Projections.

In performing its analyses, Piper Jaffray made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, which are beyond the control of Piper Jaffray, NEB and Independent. Any estimates contained in the analyses performed by Piper Jaffray are not necessarily indicative of actual values or future results, which may be more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, the Piper Jaffray opinion was among several factors taken into consideration by the NEB board in making its determination to approve the merger agreement. The type and amount of consideration payable in the merger were determined through negotiation between NEB and Independent, and the decision to enter into the merger agreement was solely that of the NEB board.

Piper Jaffray s opinion was necessarily based upon conditions as they existed and could be evaluated on March 17, 2016, the date of such opinion, and the information made available to Piper Jaffray through such date. Developments subsequent to the date of Piper Jaffray s opinion may have affected, and may affect, the conclusion reached in Piper Jaffray s opinion, and Piper Jaffray did not and does not have an obligation to update, revise or reaffirm its opinion.

The following is a summary of the material financial analyses performed and presented by Piper Jaffray to the NEB board on March 17, 2016 in connection with its fairness opinion. Each analysis was provided to the NEB board of directors. The following summary, however, does not purport to be a complete description of all the analyses performed and reviewed by Piper Jaffray underlying the Piper Jaffray opinion or the presentation made by Piper Jaffray to the NEB board on March 17, 2016, but summarizes the material analyses performed and presented in connection with such opinion. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. A fairness opinion is thus not susceptible to partial analysis or summary description. In arriving at its opinion, Piper Jaffray did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor.

The financial analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the financial analyses. Accordingly, Piper Jaffray believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a potentially misleading or incomplete view of the process underlying its analyses and opinion. Also, no company or transaction used in Piper Jaffray s analysis for purposes of comparison is identical to NEB and Independent or the merger. Accordingly, an analysis of the results of the comparisons is not mathematical; rather, it involves complex considerations and judgments about differences in the companies and transactions to which NEB and Independent and the merger were compared and other factors that could affect the public trading value or transaction value of the companies to which they are being compared. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data that existed on or before March 17, 2016 (the date of the Piper Jaffray opinion), and is not necessarily indicative of current market conditions.

Summary of Proposal. Pursuant to the terms of the merger agreement, at the effective time of the merger, the shares of NEB common stock, par value $0.01, will be converted into the right to receive 0.25 shares of Independent common stock, par value $0.01. Based on Independent s closing price on March 16, 2016 of $45.65, the merger consideration was equivalent to a price of $11.41 per share of NEB common stock at that date. Based on this deemed value per share to NEB shareholders and based on an aggregate of 2,640,738 shares of NEB common stock outstanding and 312,085 options and warrants outstanding with a weighted average exercise price of $9.65 per share, the aggregate merger consideration to holders of NEB common stock, options and warrants was approximately $30.7 million on March 16, 2016.

Selected Companies Analysis. Using publicly available information, Piper Jaffray compared the financial performance and financial condition of NEB to thirteen selected publicly traded bank holding companies headquartered in New England and the Mid-Atlantic with total assets between $100 million and $400 million, a last twelve months return on average assets between 0.00% and 0.50%, a loan to deposit ratio greater than 50.0% and a nonperforming assets to assets ratio less than 3.0%. The companies included in this group were:

Company	**Ticker**	**State**
Glen Burnie Bancorp	GLBZ	MD
Mars National Bancorp, Inc.	MNBP	PA
MNB Corporation	MNBC	PA
Damascus Community Bank	DMAS	MD
Polonia Bancorp, Inc.	PBCP	PA
First Colebrook Bancorp, Inc.	FCNH	NH
Peoples Trust Company of St. Albans	PPAL	VT
Bucks County Bank	BKCS	PA

Damariscotta Bankshares, Inc.	DMSQ	ME
Carroll Bancorp, Inc.	CROL	MD
Patriot Federal Bank	PFDB	NY
UNB Corporation	UNPA	PA
Meetinghouse Bancorp, Inc.	MTGB	MA

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Using publicly available information, Piper Jaffray compared the financial performance, financial condition, and market performance of Independent to fourteen selected publicly traded bank holding companies headquartered in New England and the Mid-Atlantic with total assets between $5.0 billion and $10.0 billion and the most recent quarter return on average assets greater than 0.75%. The companies included in this group were:

Company	Ticker	State
Northwest Bancshares, Inc.	NWBI	PA
Provident Financial Services, Inc.	PFS	NJ
Community Bank System, Inc.	CBU	NY
Customers Bancorp, Inc.	CUBI	PA
NBT Bancorp Inc.	NBTB	NY
Berkshire Hills Bancorp, Inc.	BHLB	MA
Boston Private Financial Holdings, Inc.	BPFH	MA
First Commonwealth Financial Corporation	FCF	PA
S&T Bancorp, Inc.	STBA	PA
Eagle Bancorp, Inc.	EGBN	MD
Brookline Bancorp, Inc.	BRKL	MA
Flushing Financial Corporation	FFIC	NY
Tompkins Financial Corporation	TMP	NY
WSFS Financial Corporation	WSFS	DE

To perform this analysis, Piper Jaffray used financial information as of the period ended December 31, 2015 (or as of the most recently available quarter). Market price information was as of March 16, 2016. Earnings estimates for 2016 for Independent and other selected companies were taken from SNL Financial, a nationally recognized earnings estimate consolidator.

Piper Jaffray s analysis showed the following concerning the selected public companies for NEB s and Independent s market performance:

	NEB Group Minimum	NEB Group Median	NEB Group Mean	NEB Group Maximum
Stock Price / Tangible Book Value per Share	59.6%	81.9%	79.6%	102.4%
Stock Price / Last Twelve Months EPS	14.1x	22.0x	24.6x	55.4x

	INDB	INDB Group Minimum	INDB Group Median	INDB Group Mean	INDB Group Maximum
Stock Price / Tangible Book Value per Share	214.4%	128.3%	171.1%	178.0%	253.5%
Stock Price / Last Twelve Months EPS	18.3x	12.0x	15.4x	15.7x	20.7x
Stock Price / 2016 Est. EPS	15.7x	10.1x	14.7x	14.6x	18.0x
Stock Price / 2017 Est. EPS	14.8x	9.1x	13.0x	13.4x	16.4x

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Comparable Transaction Analysis. Piper Jaffray reviewed certain publicly available information related to eleven selected acquisitions of banks and bank holding companies as well as thrifts and thrift holding companies with headquarters in New England and the Mid-Atlantic announced after January 1, 2014, where deal value was available and the buyer was a bank or bank holding company or a thrift or thrift holding company, the seller had total assets between $100 million and $400 million, a last twelve months return on average assets between 0.0% and 0.5% and a nonperforming assets to assets ratio less than 3.0%. The transactions included in the group were:

Buyer	**Seller**
Bay Bancorp, Inc.	Hopkins Bancorp, Inc.
BNH Financial	Community Guaranty Corporation
Revere Bank	BlueRidge Bank
ESSA Bancorp, Inc.	Eagle National Bancorp, Inc.
Preferred Bank	United International Bank
Citizens Financial Services, Inc.	First National Bank of Fredericksburg
Merchants Bancshares, Inc.	NUVO Bank & Trust Company
Putnam County Savings Bank	CMS Bancorp, Inc.
Mid Penn Bancorp, Inc.	Phoenix Bancorp, Inc.
Codorus Valley Bancorp, Inc.	Madison Bancorp, Inc.
F.N.B. Corporation	OBA Financial Services, Inc.

Transaction multiples for the merger were derived from an offer price of $11.41 per share for NEB based on Independent s March 16, 2016 closing price of $45.65. For each precedent transaction, Piper Jaffray derived and compared, among other things, the implied ratio of price per common share paid for the acquired company to:

- tangible book value per share of the acquired company based on the latest financial statements of the company available prior to the announcement of the acquisition;
- tangible equity premium to core deposits (total deposits less jumbo time deposits and brokered deposits) based on the financial statements of the company available prior to the announcement of the acquisition; and
- the last twelve months earnings per share based on the financial statements of the company available prior to the announcement of the acquisition.

The results of the analysis are set forth in the following table:

Transaction Price to:	INDB / NEB merger	Comparable Transactions Minimum	Comparable Transactions Median	Comparable Transactions Mean	Comparable Transactions Maximum
Tangible Book Value	136.2%	102.7%	112.0%	122.4%	161.6%
Core Deposit Premium	5.6%	1.0%	2.1%	3.6%	10.8%
LTM Earnings Per Share	46.6x	26.6x	41.0x	41.6x	51.9x

Discounted Cash Flow Analysis. Piper Jaffray performed a discounted cash flow analysis to estimate a range of the present values of after-tax cash flows that NEB could provide to equity holders through fiscal year 2020 on a stand-alone basis. In performing this analysis, Piper Jaffray used the NEB Projections for fiscal years 2016 through 2020. The analysis assumed discount rates ranging from 13.0% to 15.0%, which were assumed deviations, both up and down, as selected by Piper Jaffray based on the NEB discount rate of 13.8% as determined by Piper Jaffray. The range of values for the discounted cash flow analysis was determined by adding (1) the present value of projected cash flows to NEB s stockholders from fiscal years 2016 to 2020 and (2) the present value of the terminal value of NEB s common stock. In determining cash flows available to NEB stockholders, Piper Jaffray assumed that NEB would maintain a tangible common equity to tangible asset ratio of 8.00% and would retain sufficient earnings to maintain these levels. Any earnings in excess of what would need to be retained were assumed to be distributed as dividends to NEB stockholders. In calculating the terminal value of NEB, Piper Jaffray applied terminal multiples ranging from 12.0 times to 14.0 times fiscal year 2020 estimated earnings. These multiples were selected based on a review of trading multiples of common stocks of the selected bank and thrift holding companies headquartered in New England and the Mid-Atlantic with total assets between $200 million and $1.0 billion and last twelve months return on average assets greater than 0.0%. This analysis resulted in a range of values of NEB from $5.98 to $7.55 per share. In addition, Piper Jaffray performed a second discounted cash flow analysis that examined the after-tax cash flows that NEB could provide to NEB stockholders through fiscal year 2020 if NEB achieved a range from 90% to 110% of estimated earnings for the 2016 to 2020 period. Utilizing a discount rate of 13.8% and a range of multiples from 12.0 times to 14.0 times fiscal year 2020 estimated earnings resulted in a range of values of NEB from $5.46 to $8.23.

Piper Jaffray also performed a discounted cash flow analysis to estimate a range of the present values of after-tax cash flows that Independent could provide to equity holders through fiscal year 2020 on a stand-alone basis and on a pro forma basis. In performing this analysis, Piper Jaffray used publicly available earnings estimates by non-affiliated research analysts covering Independent, which were discussed with senior management of Independent, for fiscal years 2016 and 2017, and with respect to fiscal years 2018 through 2020 applied an earnings growth rate of 8.0% to derive projected after-tax cash flows. The analysis assumed discount rates ranging from 10.0% to 12.0%, which were assumed deviations, both up and down, as selected by Piper Jaffray based on the Independent discount rate of 11.1% as determined by Piper Jaffray. The range of values for the discounted cash flow analysis was determined by adding (1) the present value of projected cash flows to Independent s stockholders from fiscal years 2016 to 2020 and (2) the present value of the terminal value of Independent s common stock. In determining cash flows available to stockholders, Piper Jaffray assumed that Independent would maintain a tangible common equity to tangible asset ratio of 7.50% and would retain sufficient earnings to maintain these levels. Any earnings in excess of what would need to be retained were assumed to be distributed as dividends to Independent stockholders. In calculating the terminal value of Independent, Piper Jaffray applied terminal multiples ranging from 13.0 times to 15.0 times fiscal year 2020 estimated earnings. These multiples were selected based on a review of trading multiples of the fourteen publicly traded bank holding companies headquartered in New England and the Mid-Atlantic with total assets between $5.0 billion and $10.0 billion and last twelve months return on average assets greater than 0.75%, as specified above. This resulted in a range of values of Independent on a stand-alone basis from $41.57 to $49.51 per share and on a pro forma basis from $41.90 to $49.94 per share.

Piper Jaffray stated that the discounted cash flow present value analysis is a widely used valuation methodology but noted that it relies on numerous assumptions, including asset and earnings growth rates, terminal values and discount rates. The analysis did not purport to be indicative of the actual values or expected values of NEB and Independent.

Financial Impact Analysis. Piper Jaffray performed pro forma merger analyses that combined projected income statement and balance sheet information of NEB and Independent. Assumptions regarding the accounting treatment, acquisition adjustments and cost savings were used to calculate the financial impact that the merger would have on certain projected financial results of Independent. In the course of this analysis, Piper Jaffray used earnings estimates for NEB for 2016 and 2017 (including assumed cost savings) as provided by NEB s management and for Independent used publicly available earnings estimates by non-affiliated research analysts covering Independent for 2016 and 2017. This analysis indicated that the merger is expected to be accretive to Independent s estimated earnings per share in 2016 and 2017. The analysis also indicated that the merger is expected to be 0.2% dilutive to tangible book value per share for Independent with an earnback of 0.3 years and dilutive to Independent s tangible common equity to tangible assets ratio, leverage ratio and total risk-based capital ratio. For all of the above analyses, the actual results achieved by Independent following the merger will vary from the projected results, and the variations may be material.

Other Analyses. Among other things, Piper Jaffray also reviewed balance sheet composition and other financial data for NEB and Independent. With respect to Independent s public price, Piper Jaffray reviewed the public price targets of six non-affiliated research analysts covering Independent as provided by SNL Financial, a nationally recognized research price target consolidator, which ranged from $40.00 to $50.00.

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Piper Jaffray s Compensation and Other Relationships with NEB. NEB and Piper Jaffray entered into an engagement letter dated January 13, 2016 relating to the services to be provided by Piper Jaffray in connection with the merger. Pursuant to the engagement letter , NEB agreed to pay Piper Jaffray (a) a non-refundable retainer of $25,000, which will be credited against the transaction fee; (b) a fee of $100,000 upon the delivery to the NEB board of the written Piper Jaffray opinion, which fee will be credited against the transaction fee; and (c) contingent upon closing of the merger, a transaction fee of $400,000. Pursuant to the Piper Jaffray engagement letter, NEB also agreed to reimburse Piper Jaffray for reasonable out-of-pocket expenses and disbursements incurred in connection with its retention. NEB has also agreed to indemnify Piper Jaffray against certain liabilities, including liabilities under the federal securities laws, arising out of its engagement.

Other than Piper Jaffray s engagement by NEB in connection with the merger, Piper Jaffray has not provided any other material investment banking or financial advisory services to NEB, Independent or their respective affiliates during the past two years; however, Piper Jaffray may do so in the future. In the ordinary course of Piper Jaffray s business as a broker-dealer, Piper Jaffray may, from time to time, purchase securities from and sell securities to NEB, Independent or their affiliates.

Regulatory Approvals Required to Complete the Merger

The merger is subject to the condition that all consents and approvals of any governmental authority required to consummate the merger and the other transactions contemplated by the merger agreement shall have been obtained and remain in full force and effect and all statutory waiting periods in respect thereof shall have expired or been terminated. The merger also is subject to the condition that none of such regulatory approvals shall impose, as reasonably determined by Independent, a Burdensome Condition, which is defined in the merger agreement to mean any prohibition, limitation or other requirement that would prohibit or materially limit the ownership or operation by NEB or any of its subsidiaries, or by Independent or any of its subsidiaries, of all or any material portion of the business or assets of NEB or any of its subsidiaries or Independent or its subsidiaries, or compel Independent or any of its subsidiaries to dispose of or hold separate all or any material portion of the business or assets of NEB or any of its subsidiaries or Independent or any of its subsidiaries.

The consents and approvals of governmental authorities that Independent and NEB have determined required to consummate the merger include:

- the approval of or waiver of the Board of Governors of the Federal Reserve System under the Bank Holding Company Act of 1956; and

- confirmation from the Massachusetts Housing Partnership Fund (the Housing Partnership Fund) that Independent has made arrangements satisfactory to the Housing Partnership Fund.

The consents and approvals of governmental authorities that Independent and NEB have determined are required to consummate the merger of Bank of Cape Cod with Rockland Trust (the bank merger) (which are not conditions to consummation of the merger between Independent and NEB) are as follows:

- the FDIC s approval of the merger of Bank of Cape Cod with and into Rockland Trust, with Rockland Trust surviving the merger; and

- the approval of the Massachusetts Commissioner of Banks to merge Bank of Cape Cod with and into Rockland Trust, with Rockland Trust surviving the merger.

The parties have filed certain applications and notice materials necessary to obtain these regulatory approvals or confirmations and intend to submit the remaining applications and notice materials in accordance with applicable law. The merger cannot be completed until all the required approvals and confirmations have been obtained, are in full force and effect and all statutory waiting periods in respect thereof have expired, and the bank merger cannot be completed until after both approvals listed above have been obtained. The merger may not be consummated until 30 days after the approval of the Federal Reserve Board (or such shorter period as the

Federal Reserve Board may prescribe with the concurrence of the United States Department of Justice, but not less than 15 days), during which time the Department of Justice may challenge the merger on antitrust grounds. The bank merger (the completion of which is not a condition to the merger) may not be consummated until 30 days after the approval of the FDIC (or such shorter period as the FDIC may prescribe with the concurrence of the United States Department of Justice, but not less than 15 days), during which time the Department of Justice may challenge the bank merger on antitrust grounds. The commencement of an antitrust action by the Department of Justice would stay the effectiveness of the Federal Reserve Board or FDIC approval, as the case may be, unless a court specifically orders otherwise. In reviewing the merger and the bank merger, the Department of Justice could analyze the merger s effect on competition differently than the Federal Reserve Board and the FDIC, and it is possible that the Department of Justice could reach a different conclusion than the applicable banking regulator regarding the merger s (or the bank merger s) competitive effects.

Independent and NEB cannot assure you that all required regulatory approvals or confirmations will be obtained, when they will be obtained or whether there will be burdensome conditions in the approvals or any litigation challenging the approvals. Independent and NEB also cannot assure you that the United States Department of Justice or the Attorney General of the Commonwealth of Massachusetts will not attempt to challenge the merger on antitrust grounds, or what the outcome will be if such a challenge is made. Independent and NEB are not aware of any other government approvals or actions that are required prior to the parties consummation of the merger. It is currently contemplated that if any such additional governmental approvals or actions are required, such approvals or actions will be sought. There can be no assurance, however, that any such additional approvals or actions will be obtained.

Interests of NEB s Executive Officers and Directors in the Merger

NEB s executive officers and directors have interests in the merger that may be different from, or in addition to, the interests of other NEB shareholders generally. The NEB board of directors was aware of these interests and considered them, among other matters, when it approved the merger agreement.

Equity Plans

All outstanding unvested NEB stock options and restricted shares of NEB common stock will become fully vested immediately prior to the effective time of the merger. NEB options will be cancelled upon consummation of the merger, and each option holder will receive a cash payment upon such cancellation in an amount equal to the product of (i) the number of shares of NEB common stock provided for by such option and (ii) the excess, if any, of the Closing VWAP multiplied by the exchange ratio of 0.25 over the exercise price of such option. Holders of restricted shares of NEB common stock that are vested in connection with the merger will be entitled to receive the same forms of consideration as other holders of NEB common stock.

The aggregate amount of stock options and shares of restricted stock held by executive officers of NEB accelerated as a result of the merger as of June 10, 2016 is 37,912, representing a value of $452,764 based on the price of Independent common stock as of June 10, 2016.

Settlement Agreement and Consulting and Non-Competition Agreement with Timothy T. Telman

In connection with the merger agreement, Independent, Rockland Trust, NEB and Bank of Cape Cod have entered into a settlement agreement (that includes customary waiver and release provisions) with Timothy T. Telman, President and Chief Executive Officer of NEB and Bank of Cape Cod, for the purpose of setting forth, and avoiding any future disagreement with respect to, the payments and benefits that he is entitled to receive under his pre-existing change in control agreement with NEB and Bank of Cape Cod.

Pursuant to Mr. Telman s settlement agreement, his pre-existing change in control agreement with NEB and Bank of Cape Cod, and his services to each entity, will terminate immediately prior to the effective time of the merger and Mr. Telman will look solely to the terms of the settlement agreement to determine his rights to receive severance and other payments and benefits in connection with the termination of his employment. Under

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Mr. Telman s settlement agreement, a lump sum cash payment will be made following the effective time of the merger in the amount of $860,000 to Mr. Telman in full satisfaction of the obligations of NEB and Bank of Cape Cod under his pre-existing change in control agreement.

Mr. Telman will also be entitled to receive the following benefits under his settlement agreement: (i) payment of the merger consideration pursuant to the merger agreement with respect to his NEB common stock and options or warrants to purchase NEB common stock; (ii) payment of any vested benefits that Mr. Telman has accrued under any tax-qualified retirement plan maintained or contributed to by NEB and/or Bank of Cape Cod, in accordance with the terms and conditions of such plans; (iii) the right to purchase at his sole expense continuation coverage under any group health plan maintained by Bank of Cape Cod that is subject to the Consolidated Omnibus Budget Reconciliation Act (COBRA) in which he participates immediately prior to the effective time of the merger; and (iv) payment of (a) any accrued but unpaid leave immediately prior to the effective time of the merger and (b) any accrued but unpaid bonus amounts for 2016.

In connection with the merger agreement, Rockland Trust has also entered into a consulting and non-competition agreement with Mr. Telman under which he will provide Rockland Trust with certain consulting services for a term of one year following the effective date of the merger. In consideration for Mr. Telman providing such consulting services for the specified term and Mr. Telman s agreement to be bound by confidentiality, non-competition and non-solicitation covenants during such one year term, Mr. Telman will be paid $30,000 monthly by Rockland Trust.

The board of directors of NEB intends to amend each of NEB s outstanding warrants to extend the expiration date of the warrants from August 15, 2016 to August 15, 2017. Mr. Telman has warrants exercisable for 5,000 shares of NEB common stock which will be extended by such anticipated board action.

Employment Letter Agreements with Mark G. Sexton and Charles DeSimone

In connection with the merger agreement, Rockland Trust has entered into employment letter agreements with Mark G. Sexton and Charles DeSimone under which each will serve as First Vice President of Rockland Trust for a term of two years commencing on the closing date of the merger. Under the employment letter agreements, each of Messrs. Sexton and DeSimone will perform such duties and responsibilities as may be reasonably assigned to Messrs. Sexton and DeSimone, respectively, as commercial lenders. Messrs. Sexton and DeSimone will receive annual compensation consisting of a base salary, target cash bonus and other compensation and benefits as set forth in the below table, which are commensurate with employees at the level of First Vice President at Rockland Trust.

Name	Annual Salary	Target Bonus	Estimated Health, Life and Long Term Disability Insurance Premiums and Health Reimbursement Account Contributions	Estimated 401(k) Plan Contributions	Total
M. Sexton	$ 193,000	$ 38,600(1)	$ 1,544(2)	$ 16,270(3)	$ 249,414
C. DeSimone	$ 180,000	$ 36,000(1)	$ 12,940(4)	$ 14,775(3)	$ 243,715

(1) Based on performance for calendar year 2017 and assumes 100% of both employee and employer targets are met.
(2) Mr. Sexton obtains health insurance through his spouse s employer. Amount includes only life insurance and long term disability insurance premiums.
(3) Assumes full utilization of employer s matching 401(k) Plan contributions.
(4) Assumes employee elects Family High Deductible Medical Plan and Family Dental Plan and full utilization of Health Reimbursement Account.

The employment letter agreements also provide for the payment of $318,000 to each of Messrs. Sexton and DeSimone on the closing date of the merger in consideration for their waiver and release of rights that they have under their pre-existing change in control agreements with NEB and Bank of Cape Cod. In addition, Rockland Trust will make a retention payment of $106,000 on each of the first and second anniversaries of the closing date of the merger (for a total of $212,000) to each of Messrs. Sexton and DeSimone; provided, however, that the retention payments will not be made if Messrs. Sexton or DeSimone terminates employment other than for Good Reason or if Rockland Trust terminates Messrs. Sexton or DeSimone for Cause (as each such term is defined in the employment letter agreements) prior to the payment dates of such retention payments.

Rockland Trust may terminate Messrs. Sexton s or DeSimone s employment with or without Cause upon prior written notice to each of them and Messrs. Sexton and DeSimone may each terminate employment for Good Reason. If Rockland Trust terminates Messrs. Sexton s or DeSimone s employment without Cause or they terminate employment for Good Reason, Rockland Trust will pay any unpaid retention payments to Messrs. Sexton or DeSimone within ten days of the date of their termination of employment.

Other Settlement Agreements

NEB and Bank of Cape Cod previously entered into change in control agreements with four other officers. Pursuant to the merger agreement, Independent has agreed to honor in accordance with their terms all benefits payable under these change in control agreements, which provide certain benefits in the event the officers employment is terminated under specified circumstances and within a specified period of time following a change in control, such as the merger. Independent has entered into settlement agreements with each of these four officers. Under the settlement agreements, Independent has agreed to pay a total of $1,204,528 to these four other officers upon their potential termination of employment on or immediately following the closing of the merger. In addition, these four other officers will be entitled to receipt of the following benefits under their settlement agreements: (i) payment of the merger consideration pursuant to the merger agreement with respect to his or her NEB common stock and options to purchase NEB common stock; (ii) payment of any vested benefits that they have accrued under any tax-qualified retirement plan maintained or contributed to by NEB and/or Bank of Cape Cod, in accordance with the terms and conditions of such plans; and (iii) the right to purchase at his or her sole expense continuation coverage under any group health plan maintained by Bank of Cape Cod that is subject to COBRA in which he or she participates immediately prior to the effective time of the merger.

Indemnification and Insurance

The merger agreement provides that following the merger, Independent will indemnify and hold harmless the present and former officers, directors and employees of NEB and its subsidiaries against costs or expenses, judgments, fines, losses, claims, damages or liabilities and amounts paid in settlement incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to matters existing or occurring at or prior to the merger, whether asserted or claimed prior to, at or after the effective date of the merger, to the extent such indemnified party would have been indemnified, as a director, officer or employee of NEB or any of its subsidiaries under NEB s Articles of Organization and Bylaws and as permitted by applicable law. Independent will also continue to cover those persons under a directors and officers liability insurance policy for a period of six years following the effective date of the merger arising out of actions or omissions occurring at or prior to the merger, except that Independent is not required to expend more than 200% per year of the current amount expended by NEB to maintain such insurance. Based on NEB s current premium for directors and officers liability insurance, Independent will not expend more than $24,666 per year to maintain such insurance.

Retention Bonuses

Certain employees of Bank of Cape Cod will be entitled, subject to the employee s execution of a release provided by Independent, to a retention bonus if they maintain their employment with Bank of Cape Cod until that person s job function has been converted or transitioned and that person does not accept an offer for continued employment with

Rockland Trust. None of NEB s executive officers and directors will receive any retention bonuses.

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Ownership Interests of Directors and Certain Executive Officers

The following table states names and positions of NEB s directors and certain executive officers, their ages as of June 10, 2016 and the amount and percentage of NEB common stock owned by each person individually and in total by all of management and directors as a group.

Name	Position(s) Held With NEB(1)	Age	Shares Beneficially Owned as of June 10, 2016(2)(3)	Percent of Common Stock(4)
Vincent Cremona	Director	74	53,000	2.0%
David M. Dunford	Director	67	31,500	1.2%
John T. Grady	Director	68	31,625	1.2%
Robert Kinlin	Director	63	77,750	2.9%
John H. MacKinnon	Director	75	35,750	1.4%
John C. Mechem	Vice Chairman of the Board	74	18,125	*
Robert A. Pemberton	Chairman of the Board	75	87,750	3.3%
Robert C. Pemberton	Director	52	35,600	1.3%
Timothy T. Telman	President and Chief Executive Officer	53	129,108	4.8%
Mark E. Linehan	Senior Vice President and Chief Financial Officer	61	79,300	3.0%
Mark G. Sexton	Executive Vice President and Chief Lending Officer	58	36,870	1.4%
All Directors and Executive Officers as a Group (11 persons)			616,378	22.1%

* Less than 1 percent.

(1) The business address of each director and executive officer is c/o New England Bancorp, Inc., 1582 Iyannough Road, Hyannis, Massachusetts 02601.

(2) In accordance with Rule 13d-3 under the Securities Exchange Act of 1934, a person is deemed to be the beneficial owner for purposes of this table, of any shares of NEB common stock if he or she has shared voting or investment power with respect to such security, or has a right to acquire beneficial ownership at any time within 60 days from June 10, 2016. As used herein, voting power is the power to vote or direct the voting of shares, and investment power is the power to dispose or direct the disposition of shares. The shares set forth above for directors and executive officers include all shares held directly, as well as by spouses and minor children, in trust and other indirect ownership, over which shares the named individuals effectively exercise sole or shared voting and investment power.

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(3) Includes the following as of June 10, 2016:

Name	Unvested Shares of Restricted Stock	Options or Warrants Exercisable Within 60 Days
Mr. Cremona	3,688	13,500
Mr. Dunford	3,688	13,000
Mr. Grady	2,646	7,000
Mr. Kinlin	2,125	
Mr. MacKinnon	2,646	
Mr. Mechem	4,469	2,500
Mr. Robert A. Pemberton	6,045	23,000
Mr. Robert C. Pemberton	3,688	13,000
Mr. Telman	19,905	55,000
Mr. Linehan	7,951	7,500
Mr. Sexton	10,056	12,500

(4) Based on 2,640,738 shares of NEB common stock outstanding, plus, for each individual or group, the number of shares of NEB common stock that each individual or group may acquire through the exercise of options or warrants within 60 days of June 10, 2016.

THE MERGER AGREEMENT

The following summary describes certain aspects of the merger, including material provisions of the merger agreement. This summary is not complete and is qualified in its entirety by reference to the merger agreement, a copy of which is attached as Annex A to this document and is incorporated into this document by reference. You should read the merger agreement in its entirety, as it is the legal document governing the merger.

The Merger

Each of NEB s board of directors and Independent s board of directors has unanimously adopted and approved the merger agreement, which provides for the merger of NEB with and into Independent. Each share of Independent common stock issued and outstanding at the effective time of the merger will remain issued and outstanding as one share of common stock of Independent, and each share of NEB common stock issued and outstanding at the effective time of the merger (other than dissenters shares, shares held as treasury stock or shares owned directly by Independent in trust accounts, managed accounts and the like) will be converted into the right to receive 0.25 of a share of Independent common stock. See Consideration To Be Received in the Merger below.

Effective Time and Completion of the Merger

The merger will be completed and will become effective upon the acceptance for filing by the Secretary of the Commonwealth of Massachusetts of the articles of merger related to the merger. However, the parties may agree to a later time for completion of the merger and specify that later time in the articles of merger in accordance with Massachusetts law.

We currently expect that the merger will be completed in the fourth quarter of 2016, subject to NEB shareholders approval of the merger agreement and the transactions it contemplates, the receipt of all necessary regulatory approvals and the expiration of all regulatory waiting periods. However, completion of the merger could be delayed if there is a delay in obtaining the required shareholder or regulatory approvals or in satisfying any other conditions to the merger. There can be no assurances as to whether, or when, NEB and Independent will obtain the required approvals or complete the merger.

Consideration to Be Received in the Merger

In the merger, each outstanding share of NEB common stock (other than dissenters shares, shares held as treasury stock or shares owned directly by Independent in trust accounts, managed accounts and the like) will be converted into the right to receive 0.25 of a share of Independent common stock. Independent will not issue any fractional shares of its common stock in the merger, but will instead pay cash (determined on the basis of the Closing VWAP) for any fractional share a NEB shareholder would otherwise receive after aggregating all of his or her shares.

Exchange of NEB Stock Certificates for Independent Stock Certificates

On or before the closing date of the merger, Independent will cause to be delivered to the exchange agent certificates representing the shares of Independent common stock, or evidence of such shares in book entry form, to be issued in the merger. In addition, Independent will deliver to the exchange agent an aggregate amount of cash payable in lieu of fractional shares of Independent common stock. Independent has selected Computershare Limited to act as the exchange agent in connection with the merger.

If and when the merger is consummated, NEB shareholders will receive separate instructions for the exchange of certificates representing NEB common stock. No later than five business days following the effective time of the merger, the exchange agent will mail to each NEB shareholder of record at the effective time of the merger a letter of transmittal and instructions for use in surrendering the shareholder s NEB stock certificates. When such NEB shareholders deliver their NEB stock certificates to the exchange agent along with a properly completed and duly executed letter of transmittal and any other required documents, their NEB stock certificates will be cancelled and in exchange they will receive:

- an Independent stock certificate representing the number of whole shares of Independent common stock that they are entitled to receive under the merger agreement; and

- a check representing the amount of cash that they are entitled to receive in lieu of fractional shares, if any.

No interest will be paid or accrued on any cash payable in lieu of fractional shares of Independent common stock.

NEB shareholders are not entitled to receive any dividends or other distributions on Independent common stock with a record date after the closing date of the merger until they have surrendered their NEB stock certificates in exchange for an Independent stock certificate representing the shares of Independent common stock they are entitled to receive (or evidence of such shares in book entry form). After the surrender of their NEB stock certificates, NEB shareholders of record will be entitled to receive any dividend or other distribution, without interest, which had become payable with respect to their Independent common stock.

Independent will only issue a stock certificate for Independent common stock (or evidence of such shares in book entry form), or a check for cash in lieu of a fractional share in a name other than the name in which a surrendered NEB stock certificate is registered, if the exchange agent is presented with all documents required to show and effect the unrecorded transfer of ownership, together with evidence that any applicable stock transfer taxes have been paid.

Stock Options, Warrants, Convertible Subordinated Notes and Restricted Stock

Stock Options

All vested NEB options will be cancelled upon consummation of the merger, and each option holder will receive a cash payment upon such cancellation in an amount equal to the product of (i) the number of shares of NEB common stock provided for by such option and (ii) the excess, if any, of the product of the Closing VWAP multiplied by the exchange ratio over the exercise price of the option. Any option for which the exercise price exceeds the product of the Closing VWAP multiplied by the exchange ratio shall be cancelled as of the effective time of the merger without payment.

The cash payment will be made without interest and will be net of all applicable withholding taxes. As of the record date of June 10, 2016, there were outstanding options to purchase 176,085 shares of NEB common stock at a weighted average exercise price of $9.37 per share.

Warrants

All outstanding NEB warrants will be cancelled upon consummation of the merger, and each warrant holder will receive a cash payment upon such cancellation in an amount equal to the product of (i) the number of shares of NEB common stock provided for by such warrant and (ii) the excess, if any, of the product of the Closing VWAP multiplied by the exchange ratio over the exercise price of the warrant. Any warrant for which the exercise price exceeds the product of the Closing VWAP multiplied by the exchange ratio shall be cancelled as of the effective time of the merger without payment. The cash payment will be made without interest and will be net of all applicable withholding taxes.

The board of directors of NEB intends to amend each of NEB s outstanding warrants to extend the expiration date of the warrants from August 15, 2016 to August 15, 2017.

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Convertible Subordinated Notes

If a holder of a convertible subordinated note issued by NEB exercises its right to convert all or a portion of such convertible subordinated note prior to the closing of the merger, such holder will be entitled to acquire such number of shares of NEB common stock underlying such portion of the convertible subordinated note. Each share of NEB common stock acquired through the conversion of the convertible subordinated note will then be exchanged in the merger for 0.25 of a share of Independent common stock. To the extent that the convertible subordinated notes are not redeemed on or prior to the effective time of the merger, those convertible subordinated notes will be assumed by Independent pursuant to the terms of the notes.

Restricted Stock

All outstanding unvested shares of NEB restricted stock will become fully vested immediately prior to the effective time of the merger. All of such shares will be treated as outstanding NEB shares for all purposes under the merger agreement, including the holders right to receive the merger consideration, subject to applicable withholding. As of the record date of June 10, 2016, there were 79,083 shares of unvested NEB restricted stock outstanding.

Representations and Warranties

The merger agreement contains customary representations and warranties of Independent and NEB relating to their respective businesses. With the exception of certain representations that must be true and correct in all material respects, no representation or warranty will be deemed untrue or incorrect as a consequence of the existence or absence of any fact, circumstance or event unless that fact, circumstance or event, individually or when taken together with all other facts, circumstances or events, has had or would reasonably be expected to have a material adverse effect on the party making the representation. In determining whether a material adverse effect has occurred or would reasonably be expected to occur, the parties will disregard any effects resulting from (1) changes in banking and similar laws of general applicability or interpretations thereof by governmental authorities, (2) changes in generally accepted accounting principles or regulatory accounting requirements applicable to banks or bank holding companies generally, (3) any modifications or changes to NEB s valuation policies and practices in connection with the merger or restructuring charges taken in connection with the merger, in each case in accordance with generally accepted accounting principles and with Independent s prior written consent, (4) changes after the date of the merger agreement in general economic or capital market conditions affecting financial institutions or their market prices generally and not disproportionately affecting NEB or Independent, including, but not limited to, changes in levels of interest rates generally, (5) the effects of compliance with the merger agreement on the operating performance, business or financial condition of NEB or Independent, including the expenses incurred by NEB or Independent in negotiating, documenting, effecting and consummating the merger, (6) the effects of any action or omission taken by NEB with the prior consent of Independent, and vice versa, or as otherwise expressly permitted or contemplated by the merger agreement, (7) the impact of the merger agreement and the transactions contemplated by the merger agreement on relationships with customers or employees (including the loss of personnel subsequent to the date of the merger agreement), (8) the public disclosure of the merger agreement or the transactions contemplated by the merger agreement, (9) changes in national or international political or social conditions including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon or within the United States, and (10) national disaster or other force majeure event.

The representations and warranties of Independent and NEB:

have been qualified by information set forth in confidential disclosure schedules exchanged by the parties in connection with signing the merger agreement, which modifies, qualifies and creates exceptions to the representations and warranties in the merger agreement;

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will not survive consummation of the merger and cannot be the basis for any claims under the merger agreement by the other party after termination of the merger agreement;

may be intended not as statements of fact, but rather as a way of allocating the risk to one of the parties to the merger agreement if those statements turn out to be inaccurate;

are subject to the materiality standard described in the merger agreement, which may differ from what may be viewed as material by you; and

were made only as of the date of the merger agreement or such other date as is specified in the merger agreement.

Each of Independent and NEB has made representations and warranties to the other regarding, among other things:

capital stock;

corporate matters, including due organization and qualification;

organization and ownership of subsidiaries;

their authority to execute and deliver the merger agreement and the absence of conflicts with, or violations of, organizational documents or other obligations as a result of the merger;

the filing of securities and regulatory reports;

the absence of agreements with regulatory agencies or investigations by regulatory agencies;

governmental filings and regulatory approvals and consents necessary to complete the merger;

financial statements and the absence of undisclosed liabilities;

absence of certain changes or events;

compliance with applicable laws;

regulatory capitalization;

loan, non-performing and classified assets;

trust business and fiduciary accounts;

the Community Reinvestment Act and anti-money laundering requirements;

legal proceedings;

broker s fees payable in connection with the merger;

employee benefit matters;

labor matters;

environmental matters;

tax matters; and

the accuracy of information supplied for inclusion in this document and other similar documents.

In addition, NEB has made other representations and warranties about itself and its subsidiaries to Independent as to:

matters relating to certain material contracts;

investment securities;

derivative transactions;

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- investment management;
- repurchase agreements;
- allowance for loan losses;
- transactions with affiliates and insiders;
- tangible properties and assets;
- intellectual property;
- insurance;
- the inapplicability of state anti-takeover laws;
- the receipt of a fairness opinion; and
- transaction costs.

Conduct of Business Pending the Merger

NEB has undertaken customary covenants that place restrictions on it and its subsidiaries until the effective time of the merger. In general, NEB has agreed that during this period it will, and will cause each of its subsidiaries to: (1) conduct its business in the ordinary course consistent with past practice; and (2) use commercially reasonable efforts to maintain and preserve intact its business organization and advantageous business relationships, including retaining the services of key officers and key employees and the goodwill of customers and other parties. NEB further has agreed that, with certain exceptions, NEB will not, and will not permit any of its subsidiaries to, among other things, undertake the following actions without the prior written consent of Independent, which, in some cases, will not be unreasonably withheld, conditioned or delayed:

- issue, or enter into an agreement to issue, shares of common stock except pursuant to the exercise of NEB stock options outstanding as of the date of the merger agreement, accelerate the vesting of any rights to acquire shares of common stock, or change the number of, or provide for the exchange of, shares of NEB stock, any securities convertible into or exchangeable for any additional shares of stock, any rights issued and outstanding prior to the effective date of the merger as a result of a stock split, stock dividend, recapitalization, reclassification, or similar transaction with respect to its outstanding stock or any other such securities;

declare, set aside or pay any dividends or other distributions on any shares of its capital stock, other than dividends paid by any of the wholly owned subsidiaries of NEB to NEB or to any of its wholly owned subsidiaries;

enter into or amend or renew any employment, consulting, severance or similar agreements or arrangements with any director, officer, employee of NEB or any of its subsidiaries, or grant any salary or wage increase or increase any employee benefit plan or grant any equity compensation or pay any incentive, commission or bonus payments, subject to certain exceptions primarily intended to permit increases in compensation and the payment of bonuses in the ordinary course of business;

hire any person except for at-will employees at an annual rate of salary not to exceed $50,000 to fill vacancies that may arise from time to time in the ordinary course of business, or promote any employee, except fill vacancies that may arise in the ordinary course of business or to satisfy contractual obligations existing as of the date of the merger agreement;

with certain exceptions, enter into, establish, adopt, amend, modify or terminate any benefit plan or other 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 related thereto, in respect of any current or former director, officer or employee;

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except pursuant to agreements in effect as of the date of the merger agreement, pay, loan or advance any amount to, or sell, transfer or lease any properties or assets to, or enter into any agreement with, any of its officers or directors or any of their immediate family members or any affiliates or associates of any of its officers or directors other than compensation or business expense reimbursement in the ordinary course of business consistent with past practice;

except for real estate owned in the ordinary course of business consistent with past practice, sell, transfer, mortgage, pledge, encumber or otherwise dispose or discontinue any of its assets, deposits, business or properties, other real estate owned, or cancel or release any indebtedness owed to NEB or any of its subsidiaries;

other than in the ordinary course of business and consistent with past practice, 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, all or any portion of the assets, business, deposits or properties of any other entity;

make any capital expenditures other than in the ordinary course of business consistent with past practice and expenditures reasonably necessary to maintain existing assets in good repair, each in amounts not exceeding $50,000 in the aggregate unless consented to in writing by Independent;

amend its articles of organization or bylaws or any equivalent documents of any NEB subsidiary;

implement or adopt any change in its accounting principles, practices or methods, other than as may be required by applicable laws, generally accepted accounting principles in the United States of America or at the written direction of a governmental authority;

enter into, amend, modify or terminate any material contract, lease, or insurance policy;

enter into any settlement or similar agreement with respect to any action, suit, proceeding, order or investigation to which NEB or any of its subsidiaries is or becomes a party after the date of the merger agreement, which settlement involves payment of an amount exceeding $25,000 individually or $50,000 in the aggregate and/or would impose any material restriction on the business of NEB or its subsidiaries;

enter into any new material line of business or change in any material respect its lending, investment, underwriting, risk and asset liability management and other banking and operating policies, except as required by applicable law imposed by any governmental authority;

enter into any derivatives transactions, unless consented to in writing by Independent;

incur, modify, extend or renegotiate any indebtedness for borrowed money (except deposits, FHLB borrowings or federal funds purchased, in each case in the ordinary course of business) or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other person, unless consented to in writing by Independent;

acquire, sell or otherwise dispose of any debt security or equity investment, unless consented to in writing by Independent;

make any changes in deposit pricing that are not in the ordinary course of business consistent with recent past practice, unless consented to in writing by Independent;

with respect to loans:

Bank of Cape Cod may make or renew any commercial loan, commercial loan commitment, commercial letter of credit or other extension of commercial credit up to $1,000,000 that is made in the ordinary course of business in a manner consistent with the current policies and procedures and recent past practice or, if more than $1,000,000, only if consented to in writing by Independent;

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Bank of Cape Cod may make or renew any residential loan or residential loan commitment up to $750,000 that is made in the ordinary course in a manner consistent with current policies and procedures and recent past practice, so long as such residential loan or residential loan commitment has a loan-to value ratio that is in compliance with Bank of Cape Cod s current and certain other policies and procedures and it is a qualified mortgage under applicable regulatory guideline or, if more than $750,000, only if consented to in writing by Independent;

Bank of Cape Cod may make or renew any home equity loan or home equity loan commitment up to $100,000 that is made in the ordinary course of business in a manner consistent with Bank of Cape Cod s current policies and procedures and recent past practice or, if more than $100,000, only if consented to in writing by Independent; and

Bank of Cape Cod may not (a) sell any loan participations to, or enter into an loan participations with, any third party other than Rockland Trust, (b) renegotiate, increase, extend or modify any loan, loan commitment, letter of credit or other extension of credit, and (c) purchase loans of any type, make or renew any franchise loan, enter into or renew any lease financing transaction, or make or renew any consumer loan, unless consented to in writing by Independent;

with certain exceptions, make any investment or commitment to invest in real estate or in any real estate development project other than by way of foreclosure or deed in lieu thereof;

make or change any material tax election, file any material amended tax return, enter into any material closing agreement, settle or compromise any material liability with respect to taxes, agree to any material adjustment of any tax attribute, file any claim for a material refund of taxes, consent to any extension or waiver of the limitation period applicable to any material tax claim or assessment, or knowingly take any action that would prevent or impede the merger or the bank merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code;

commit any act or omission which constitutes a material breach or default of an agreement with any governmental authority or any other material agreement, lease or license;

except for foreclosures in process as of the date of the merger agreement, foreclose on or take a deed or title to any real estate other than single-family residential properties without first conducting a Phase I environmental assessment of the property or foreclose on or take a deed or title to any real estate other than single-family residential properties if such environmental assessment indicates the presence of hazardous substances or other regulated materials;

except as may be required by applicable law or regulation, or by generally accepting accounting principles, take or fail to take, or adopt any resolutions of its board of directors in support of, any action which would result in (1) any of NEB s representations and warranties in the merger agreement becoming untrue in any material respect, (2) any of the conditions to the merger not being satisfied, or (3) a material violation of any provision of the merger agreement;

except in connection with the exercise of stock options or warrants outstanding on the date of the merger agreement or to satisfy tax withholding obligations upon the vesting of shares of restricted stock outstanding on the date of the merger agreement, repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock;

enter into any contract with respect to, or otherwise agree to do any of the actions prohibited by the preceding bullet points;

except as may be required by applicable law or regulation, make application for the opening, relocation or closing of any, or open, relocate, or close any, branch office, loan production or servicing facility or automated banking facility; or

compromise, resolve, or otherwise workout any delinquent or troubled loan unless done in the ordinary course of business consistent with Bank of Cape Cod s current policies and procedures and recent past practice, unless consented to in writing by Independent.

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Independent has agreed that, except with NEB s prior written consent, Independent will not, among other things, undertake the following actions:

- except as may be required by applicable law or regulation, take any action or fail to take any action that is intended or reasonably likely to result in: a delay in the consummation of the merger or the transactions contemplated by the merger agreement; any impediment to its ability to consummate the merger or the transactions contemplated by the merger agreement; any of its representations and warranties contained in the merger agreement becoming untrue in any material respect at or prior to the effective time; any of the conditions contained in the merger agreement not being satisfied; or a material violation of any provision of the merger agreement;

- knowingly take any action that would prevent or impede the merger or the bank merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code; or

- enter into any contract with respect to, or otherwise agree to do any of the actions prohibited by the preceding bullet points.

The merger agreement also contains mutual covenants relating to preparation of this document, access to information of the other company, public announcements with respect to the transactions contemplated by the merger agreement, regulatory filings and consents, notification of certain changes, board packages and director resignations, litigation, information systems conversion, coordination of agreements by NEB allowing Independent access to NEB s customers and suppliers and to conduct environmental assessments of certain real property owned by NEB.

NEB has also undertaken covenants to use its commercially reasonable efforts to (i) submit applications to obtain the approval of the Massachusetts Commissioner of Banks to, contingent upon the closing, close each of Bank of Cape Cod s four office locations effective on or immediately prior the effective date of the merger, and (ii) provide notices to the FDIC of the intent to close such branches in accordance with FDIC rules and regulations. NEB will, no later than June 30, 2016, submit the branch closure applications and supporting materials to the Massachusetts Commissioner of Banks and the notice to the FDIC in accordance with applicable law. Independent will have the opportunity to review and approve such branch closure applications and the notice to the FDIC prior to filing and will be required to cooperate with NEB in the preparation of filings.

Redemption of NEB s SBLF Preferred Stock

Independent and NEB will each use its commercially reasonable efforts to redeem all of NEB s issued and outstanding SBLF preferred stock prior to or concurrently with the effective time of the merger, in accordance with NEB s articles of organization, the terms of any securities purchase agreement entered into in connection with the issuance of NEB s SBLF preferred stock, and/or such other agreements required between NEB and the United States Department of Treasury in order to effect the redemption. Independent will fund the redemption, and the method of funding will be mutually agreed upon by Independent and NEB, subject to any requirements of the United States Department of Treasury and the required approval of any governmental authority. NEB covenants to provide, and cause its officers, employees, agents, advisors and representatives to provide, all necessary cooperation and take all necessary actions as may be requested by Independent in connection with the redemption of NEB s SBLP preferred stock.

Shareholder Approval

NEB has called the special meeting to consider and vote upon the NEB merger agreement proposal and NEB adjournment proposal. NEB has agreed to take all lawful action to solicit shareholder approval of the merger agreement, although under certain circumstances NEB s board of directors may recommend to NEB shareholders a Superior Proposal (as defined below) in the exercise of its fiduciary duties, as described below under No Solicitation of Alternative Transactions.

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Under the merger agreement, NEB s board of directors must, at all times prior to and during the special meeting, recommend approval of the merger agreement by NEB shareholders and may not withhold, withdraw, amend or modify its recommendation in any manner adverse to Independent or take any other action or make any other public statement inconsistent with its recommendation, except as and to the extent described below under No Solicitation of Alternative Transactions.

No Solicitation of Alternative Transactions

With certain exceptions described below, NEB has agreed that it, its subsidiaries and their officers and directors will not, and NEB will cause each of its and its subsidiaries representatives not to, directly or indirectly:

- solicit, initiate or encourage any inquiry with respect to, or the making of, any proposal that constitutes or could reasonably be expected to lead to, an Acquisition Proposal (as defined below);
- participate in any negotiations regarding an Acquisition Proposal with, or furnish any nonpublic information relating to an Acquisition Proposal to, any party that has made or, to the knowledge of NEB, is considering making an Acquisition Proposal; or
- engage in discussions regarding an Acquisition Proposal with any party that has made, or, to NEB s knowledge, is considering making, an Acquisition Proposal.

However, prior to the time that NEB shareholders approve the merger agreement and the transactions it contemplates, if NEB receives a written and unsolicited Acquisition Proposal that NEB s board of directors determines in good faith (after consultation with its financial advisers and legal counsel) is or is reasonably likely to lead to a Superior Proposal (as defined below), NEB may take the following actions:

- furnish nonpublic information to the party making such Superior Proposal, but only if (1) prior to so furnishing such information, NEB has entered into a customary confidentiality agreement with such party on terms no less favorable to NEB than the confidentiality agreement between NEB and Independent, and (2) all such information has previously been provided to Independent or is provided to Independent prior to or contemporaneously with the time it is provided to the party making such Superior Proposal; and
- engage or participate in any discussions or negotiations with such party with respect to the Superior Proposal.

NEB must promptly advise Independent of the receipt of:

- any proposal that constitutes or is reasonably likely to lead to an Acquisition Proposal and the material terms of the proposal; and any request for non-public information relating to NEB or any of its subsidiaries other than requests for information not reasonably likely to be related to an Acquisition Proposal.

Thereafter, NEB must keep Independent reasonably informed on a reasonably current basis (and in any event at least once every 48 hours) of the status of any such Acquisition Proposal (including any material change to the terms thereof).

Except as described below, NEB s board of directors may not:

withhold, withdraw, or modify (or publicly propose to withhold, withdraw or modify), in a manner adverse to Independent, its recommendation that NEB shareholders approve the merger agreement and the transactions it contemplates; or

approve or recommend (or publicly propose to approve or recommend) any Acquisition Proposal.

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Except as set forth below, NEB may not, and its board of directors may not allow it to, and NEB may not allow any of its subsidiaries to enter into any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement or other agreement (except for customary confidentiality agreements as described above) relating to any Superior Proposal.

Notwithstanding the previous paragraphs, NEB s board of directors may, prior to the time NEB shareholders approve the merger agreement and the transactions it contemplates, (1) change its recommendation that NEB shareholders approve the merger agreement and the transactions it contemplates or (2) terminate the merger agreement (and concurrently with such termination cause NEB to enter into a definitive agreement with respect to the Superior Proposal), in either case if and only if the board of directors has determined in good faith, after consulting with its legal counsel, that the failure to take such action would be inconsistent with the directors fiduciary duties. However, the board of directors may not take any such action in connection with an Acquisition Proposal unless:

- the NEB board of directors has determined that the Acquisition Proposal constitutes a Superior Proposal;

- prior to terminating the merger agreement, NEB provides written notice to Independent at least four business days in advance of its intention to take such action (which notice must specify all material terms and conditions of the Superior Proposal, including documentation related thereto and the identity of the party making the Superior Proposal);

- during the four-day notice period, NEB negotiates with Independent in good faith if Independent proposes to make adjustments in the terms and conditions of this merger agreement so that the Acquisition Proposal ceases to constitute a Superior Proposal; and

- the Acquisition Proposal continues to constitute a Superior Proposal after taking into account any amendments that Independent agrees to make to the merger agreement.

As used in the merger agreement, the term Acquisition Proposal means any proposal or offer with respect to any of the following involving NEB:

- any merger, consolidation, share exchange, business combination or other similar transaction;

- any sale, lease, exchange, mortgage, pledge (excluding any FHLB or FRB pledges), transfer or other disposition of assets that constitute 20% or more of the assets of NEB in a single transaction or series of transactions;

- any tender offer or exchange offer for 20% or more of the outstanding shares of NEB s capital stock or the filing of a registration statement under the Securities Act, in connection therewith; or any public announcement by any party of a proposal, plan or intention to do any of the foregoing or any agreement to engage in any of the foregoing.

As used in the merger agreement, the term Superior Proposal means any bona fide written Acquisition Proposal with respect to more than 50% of the combined voting power of the shares of NEB common stock then outstanding or all or substantially all of the assets of NEB:

that is on terms which NEB s board of directors determines in good faith, after consultation with its financial advisor, to be more favorable from a financial point of view to NEB shareholders than the transactions contemplated by the merger agreement;

that constitutes a transaction that, in the good faith judgment of NEB s board of directors, is reasonably likely to be consummated on the terms set forth, taking into account all legal, financial, regulatory and other aspects of such proposal; and

for which financing, to the extent required, is then committed pursuant to a written commitment letter.

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Employee Benefits Matters

Benefit Plans

The merger agreement provides that following the effective date of the merger, Independent will provide those individuals who are employees of NEB and its subsidiaries and who continue as employees of Independent or any of its subsidiaries with employee benefit plans of general applicability for which Independent has analogous plans with such employee plans being either those of NEB or Independent as selected by Independent; provided, however, that all such employees will be entitled to participate in all benefit plans of general applicability then maintained by Independent to the same extent as similarly-situated employees of Independent. With respect to such comparable Independent benefit plan, for purposes of determining eligibility to participate, vesting, entitlement to benefits and vacation entitlement (but not for accrual of benefits under any Independent benefit plan, including any post-retirement welfare benefit plan), service by an employee with NEB or any of its subsidiaries will be recognized to the same extent such service was recognized immediately prior to the effective time of the merger, or if there is no such comparable employee benefit plan, to the same extent such service was recognized under the Bank of Cape Cod 401(k) plan immediately prior to the effective time of the merger to the extent applicable; provided however, that such service shall not be recognized to the extent such recognition would result in a duplication of benefits. Independent will make all commercially reasonable efforts to cause each benefit plan providing medical or dental benefits to continuing employees to waive any preexisting condition limitations relating to any conditions that were covered under the applicable medical, health or dental plans of NEB and its subsidiaries, take into account all eligible expenses incurred for purposes of satisfying the deductible and coinsurance and waive any waiting period limitation or evidence of insurability requirement which would otherwise be applicable to the continuing employee.

Severance Pay Plan

Independent has agreed to a severance pay plan that provides for severance benefits for eligible employees not covered by any contractual severance arrangement in connection with certain terminations of employment that occur within one year after the effective date of the merger. Under this severance pay plan, eligible employees whose employment is terminated without cause during the one year following the merger would be entitled to receive severance pay in the amount of two weeks pay for every year of service, up to a maximum of twenty-six weeks severance and be offered outplacement assistance.

Retention Bonuses

Certain employees of Bank of Cape Cod will be entitled, subject to the employee s execution of a release provided by Independent, to a retention bonus if they maintain their employment with Bank of Cape Cod until that person s job function has been converted or transitioned and that person does not accept an offer for continued employment with Rockland Trust.

Conditions to Complete the Merger

Our respective obligations to complete the merger are subject to the fulfillment or waiver if legally permitted (except for the condition set forth in the third bullet below, which may not be waived in any circumstance) of mutual conditions, including:

- receipt of approval of the merger agreement by NEB shareholders;

the effectiveness of the registration statement of which this document is a part, with respect to the Independent common stock to be issued in the merger under the Securities Act, and the absence of any stop order or proceedings initiated or threatened by the Securities and Exchange Commission or any other governmental authority for that purpose;

the receipt by each party of a legal opinion from its counsel with respect to certain U.S. federal income tax consequences of the merger;

- the receipt and effectiveness of all regulatory approvals, registrations and consents, (none of which shall impose a term, condition or restriction that Independent reasonably determines to be a burdensome condition) and the expiration of all waiting periods required to complete the merger;

- the absence of any statute, regulation, rule, decree, injunction or other order in effect by any court or other governmental entity that prohibits completion of the transactions contemplated by the merger agreement; and

- the listing on Nasdaq of the shares of Independent common stock issuable pursuant to the merger, subject to official notice of issuance.

Each of NEB s and Independent s obligations to complete the merger is also separately subject to the satisfaction or waiver of a number of conditions, including the performance by the other party in all material respects of its obligations under the merger agreement, and the other party s representations and warranties in the merger agreement being true and correct in all material respects (except that, except for certain exceptions, no representation or warranty will be deemed not to be true and correct unless the failure of such representation or warranty to be true and correct, together with all other failures, would have a material adverse effect on the party).

Independent s obligation to complete the merger is further subject to the conditions that the number of outstanding shares of NEB common stock shall not exceed 2,640,738, except to the extent increased as a result of the exercise of stock options and warrants outstanding on the date of the merger agreement or the conversion of convertible subordinated notes outstanding on the date of the merger agreement and that the holders of no more than ten percent (10%) of NEB common stock will have taken the actions required by Part 13 of Chapter 156D of the Massachusetts Business Corporation Act to qualify their NEB common stock as dissenters shares.

We cannot provide assurance as to when or if all of the conditions to the merger can or will be satisfied or waived by the appropriate party. As of the date of this document, we have no reason to believe that any of these conditions will not be satisfied.

Termination of the Merger Agreement

General

The merger agreement may be terminated at any time prior to the completion of the merger by our mutual consent authorized by each of our boards of directors, as determined by a vote of the majority of its respective members, or by either Independent or NEB if:

- a governmental entity which must grant a regulatory approval as a condition to the merger denies approval of the merger or any governmental entity has issued an order prohibiting the merger and such action has become final and non-appealable;

- the requisite shareholder approval is not obtained from NEB shareholders;

- the merger is not completed by January 31, 2017 (other than because of a material breach of the Agreement caused by the party seeking termination); or

- the other party breaches the merger agreement in a way that would entitle the party seeking to terminate the agreement not to consummate the merger, subject to the right of the breaching party to cure the breach by 30 days following written notice (unless it is not possible due to the nature or timing of the breach for the breaching party to cure the breach).

The merger agreement may also be terminated by Independent if NEB has materially breached its non-solicitation obligations; the NEB board of directors has failed to recommend in this proxy statement/prospectus the approval of the merger agreement, or made a change in recommendation to its shareholders; the NEB board of directors has recommended, proposed or publicly announced its intention to recommend or propose, to engage

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in an Acquisition Transaction (as defined below under Termination Fee) with any person other than Independent or a subsidiary or affiliate of Independent; a tender or exchange offer for 20% or more of the outstanding shares of NEB common stock is commenced and the board of directors of NEB has failed to publicly recommend against a publicly announced Acquisition Proposal within five business days of being requested to do so by Independent; or NEB has failed to call the special meeting of NEB shareholders. Additionally, NEB may terminate the merger agreement:

- if it enters into a Superior Proposal as described under The Merger Agreement No Solicitation of Alternative Transactions, so long as it pays a termination fee of $1.35 million to Independent; or

- pursuant to a walk away right that is subject to a top up option, if (a) the ten-day VWAP of Independent s common stock as of a measurement date prior to closing is more than 20% below the ten-day VWAP of Independent s common stock for the trading period ending March 16, 2016, (b) the decrease in the ten day VWAP of Independent s common stock for the trading period ending on March 16, 2016 compared to the ten day VWAP of Independent common stock ending on the measurement date is more than 20% greater than the decrease in the ten day average price of the Nasdaq Bank Stock Index during the same time periods, (c) NEB elects to terminate the agreement by a majority vote of NEB s directors, and (d) following notice to Independent by NEB of the exercise of its walk away right, Independent does not exercise its option under the merger agreement to increase the exchange ratio to a number that would compensate NEB shareholders for the extent of the decrease in Independent s common stock price below the lowest price per share at which the walk away right would not have been triggered. If Independent exercises its top up option, then no termination will occur.

Effect of Termination

In the event the merger agreement is terminated as described above, the merger agreement will become void and neither Independent nor NEB will have any liability under the merger agreement, except that:

- both Independent and NEB will remain liable for any willful and material breach of the merger agreement; provided that in no event will a party be liable for any punitive damages; and

- designated provisions of the merger agreement, including those relating to the termination fee, the payment of fees and expenses, non-survival of the representations and warranties, and confidential treatment of information will survive the termination.

Termination Fee

Conditions Requiring Payment of Termination Fee

NEB has agreed to pay a termination fee in the amount of $1.35 million to Independent in the following circumstances:

if NEB terminates the merger agreement because NEB s board of directors has approved, and NEB enters into, a definitive agreement with respect to a Superior Proposal (as defined above under No Solicitation of Alternative Transactions);

if Independent terminates the merger agreement because:

NEB materially breaches its non-solicitation obligations;

NEB s board of directors fails to recommend that NEB shareholders approve the merger agreement and the transactions it contemplates, or made a change in recommendation;

NEB s board of directors recommends, proposes or publicly announces its intention to recommend or propose, to engage in an Acquisition Transaction (as defined below) with any party other than Independent or a subsidiary or affiliate of Independent;

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A tender or exchange offer for 20% or more of the outstanding shares of NEB common stock is commenced and the NEB board of directors shall have failed to publicly recommend against a such tender or exchange offer within five business days of being requested to do so by Independent; or

NEB materially breaches its obligations to call, give notice of, convene and hold a meeting of NEB shareholders in order to approve the merger agreement and the transactions it contemplates; or

in the event that

(1) an Acquisition Proposal, whether or not conditional, has been publicly announced (or any person has publicly announced an intention, whether or not conditional, to make an Acquisition Proposal) or (2) NEB s board of directors has withheld, withdrawn or modified (or publicly proposed to withhold, withdraw or modify) its recommendation for the merger, prior to or on the date of the shareholder meeting or at any adjournment or postponement thereof at which the vote on the merger agreement is held; and

the merger agreement is terminated:

by Independent or NEB because shareholder approval is not obtained by NEB shareholders;

by Independent or NEB because the merger is not completed on or before January 31, 2017; or

by Independent because NEB materially breaches the merger agreement, subject to the right of NEB to cure the breach; and

within 12 months following the date of termination, NEB enters into a definitive agreement with respect to any Acquisition Transaction, the NEB board of directors recommends any Acquisition Transaction or NEB consummates any Acquisition Transaction,

then NEB must pay the termination fee to Independent, less any amount up to $500,000 reimbursed to Independent with respect to its and its subsidiaries reasonably documented out-of-pocket fees and expenses in connection with the merger agreement. NEB must pay the termination fee prior to the earlier of NEB entering into a definitive agreement for or consummating such Acquisition Transaction; provided, however, that all references in the definition of Acquisition Transaction to 20% or more shall instead refer to 50% or more.

In addition, in the event that the merger agreement is terminated (a) by Independent or NEB because the merger is not completed on or before January 31, 2017 or (b) by Independent because NEB materially breaches the merger agreement, subject to the right of NEB to cure the breach, following the occurrence of (x) an Acquisition Proposal, whether or not conditional, being publicly announced (or any person having publicly announced an intention, whether or not conditional, to make an Acquisition Proposal) or (y) the withholding, withdrawing or modification (or public proposal to withhold, withdraw or modify) by NEB s board of directors of its recommendation for the merger, prior to or on the date of the shareholder meeting or at any adjournment or postponement thereof at which the vote on the merger agreement is held, prior to such termination, then NEB must immediately reimburse Independent up to $500,000 of its and its subsidiaries reasonably documented out-of-pocket fees and expenses in connection with the merger agreement if a termination fee has not been paid or is not payable by NEB to Independent because, within 12 months following the date of termination, NEB has not entered into a definitive agreement with respect to any Acquisition Transaction, the NEB board of directors has not recommended any Acquisition Transaction or NEB has not consummated any Acquisition Transaction.

As used in the merger agreement, the term Acquisition Transaction means any of the following involving NEB:

- any merger, consolidation, share exchange, business combination or other similar transaction;

- any sale, lease, exchange, mortgage, pledge (excluding any FHLB or FRB pledges), transfer or other disposition of assets and/or liabilities that constitute 20% or more of the assets of NEB in a single transaction or series of transactions; or

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any tender offer or exchange offer for 20% or more of the outstanding shares of NEB s capital stock or the filing of a registration statement under the Securities Act, in connection therewith.

Waiver or Amendment of the Merger Agreement

Except for the receipt of opinions from Day Pitney LLP and Luse Gorman PC to the effect that the merger will be treated for federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code, which may not be waived in any circumstance, either party may waive a provision of the merger agreement and both parties may agree to amend the merger agreement at any time prior to completion of the merger. However, after any approval of the merger by NEB shareholders, there may not be, without further approval of the shareholders, any amendment of the merger agreement that requires such further approval by shareholders under applicable law.

Fees and Expenses

Except as otherwise described above, each party will bear all expenses incurred by it in connection with the merger agreement and the transactions it contemplates, including fees and expenses of its own financial consultants, accountants and legal counsel, provided that nothing contained herein shall limit either party s rights to recover any liabilities or damages arising out of the other party s willful breach of any provision of the merger agreement.

Restrictions on Resales by Affiliates

Shares of Independent common stock to be issued to NEB shareholders in the merger will have been registered under the Securities Act, and may be traded freely and without restriction by those shareholders not deemed to be affiliates (as that term is defined under the Securities Act) of Independent after the merger. Any subsequent transfer of shares, however, by any NEB shareholder who is deemed an affiliate of Independent after the merger will, under existing law, require either:

the further registration under the Securities Act of the Independent common stock to be transferred; or

the availability of another exemption from registration.

An affiliate of Independent is a person who directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, Independent. These restrictions are expected to apply to the directors and executive officers of Independent and the holders of 10% or more of the outstanding Independent common stock. The same restrictions apply to the spouses and certain relatives of those persons and any trusts, estates, corporations or other entities in which those persons have a 10% or greater beneficial or equity interest.

Independent will give stop transfer instructions to the exchange agent with respect to the shares of Independent common stock to be received by persons subject to these restrictions.

VOTING AGREEMENTS

Concurrently with the execution of the merger agreement, the directors of NEB and certain NEB executive officers separately entered into voting agreements with Independent under which they agreed to, with respect to shares of NEB common stock that they own directly or jointly with their spouse or as trustee for their children:

- restrict their ability to transfer or dispose of their shares of NEB common stock;
- appear at the shareholder meeting or otherwise cause their shares of NEB common stock to be counted as present thereat for purposes of calculating a quorum;
- vote their shares of NEB common stock in favor of approval of the merger agreement and the transactions it contemplates;
- vote their shares of NEB common stock against any action or agreement that would result in a breach of any covenant, representation or warranty, or other obligation or agreement, of NEB contained in the merger agreement;
- vote their shares of NEB common stock against any proposal to acquire NEB by any person other than Independent or against any action, agreement or transaction intended to, or could reasonably be expected to, materially impede, interfere or be inconsistent with, delay, postpone, discourage or materially and adversely affect the consummation of the transactions contemplated by the merger agreement; and
- not to vote or execute any written consent to rescind or amend in any manner any prior vote or written consent, as a shareholder of NEB, to approve the merger agreement unless the merger agreement is terminated in accordance with its terms.

The voting agreements were executed as a condition of Independent s willingness to enter into the merger agreement, and as an indication of the directors and officers support for the merger agreement and the transactions contemplated by it and their willingness to vote their shares of NEB common stock in favor of the merger agreement at the shareholder meeting.

On the record date of June 10, 2016, these directors and officers of NEB owned 469,378 shares, which they have agreed to vote in favor of the merger agreement at the shareholder meeting. These shares represent approximately 17.8% of the outstanding shares of NEB common stock.

No separate consideration was paid to any of the directors for entering into these voting agreements. However, the directors of NEB may be deemed to have interests in the merger as directors that are different from or in addition to those of other NEB shareholders. See The Merger Interests of NEB s Executive Officers and Directors in the Merger beginning on page 55 of this proxy statement/prospectus.

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ACCOUNTING TREATMENT

Independent has determined that the merger represents a business combination and will account for the merger by applying the acquisition method of accounting, in accordance with the provisions of Topic 805 Business Combinations of the Financial Accounting Standards Board Accounting Standard Codification. As of the date of the merger, NEB s assets and liabilities will be recorded at their respective estimated fair values. To the extent that the purchase price exceeds the estimated fair value of the net assets acquired, Independent will allocate the excess purchase price to all identifiable intangible assets. Any remaining excess will then be allocated to goodwill. The goodwill resulting from the merger will not be amortized to expense, but instead will be reviewed for impairment at least annually. To the extent goodwill is impaired, its carrying value would be written down to its implied fair value and a charge would be made to earnings. Core deposit and other intangibles with definite useful lives will be amortized to expense over their estimated useful lives.

The financial statements of Independent issued after the merger will reflect the results attributable to the acquired operations of NEB beginning on the date the merger is completed.

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MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER

The following section describes the anticipated material U.S. federal income tax consequences of the merger to U.S. holders (as defined below) of NEB common stock. This discussion addresses only those holders that hold their NEB common stock as a capital asset within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Internal Revenue Code), and does not address all the U.S. federal income tax consequences that may be relevant to particular holders in light of their individual circumstances or to holders that are subject to special rules, such as:

- financial institutions;
- insurance companies;
- individual retirement and other tax-deferred accounts;
- persons subject to the alternative minimum tax provisions of the Internal Revenue Code;
- entities treated as partnerships or other flow-through entities for U.S. federal income tax purposes;
- tax-exempt organizations;
- dealers in securities;
- persons whose functional currency is not the U.S. dollar;
- traders in securities that elect to use a mark to market method of accounting;
- regulated investment companies, real estate investment trusts and regulated mortgage investment conduits;
- persons that hold NEB common stock as part of a straddle, hedge, constructive sale or conversion transaction; or
- persons who acquired their shares of NEB common stock through the exercise of an employee stock option or otherwise as compensation.

The following is based upon the Internal Revenue Code, its legislative history, Treasury regulations promulgated pursuant to the Internal Revenue Code and published rulings and decisions, all as currently in effect as of the date of this document, and all of which are subject to change, possibly with retroactive effect, and to differing interpretations. Tax considerations under state, local and foreign laws, or federal laws other than those pertaining to U.S. federal income tax, are not addressed in this document.

Holders of NEB common stock should consult with their own tax advisers as to the U.S. federal income tax consequences of the merger as well as the effect of state, local, foreign and other tax laws and of proposed changes to applicable tax laws, in light of their particular circumstances.

For purposes of this discussion, the term U.S. holder means a beneficial owner of NEB common stock that is:

- a U.S. citizen or resident, as determined for federal income tax purposes;
- a corporation, or entity taxable as a corporation, created or organized in or under the laws of the United States or any of its political subdivisions;
- a trust that (i) is subject to the supervision of a court within the United States and the control of one or more U.S. persons or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or
- an estate that is subject to United States federal income taxation on its income regardless of its source.

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The U.S. federal income tax consequences of a partner in a partnership holding NEB common stock generally will depend on the status of the partner and the activities of the partnership. We recommend that partners in such a partnership consult their own tax advisers.

Tax Consequences of the Merger Generally

Independent and NEB have structured the merger to qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. It is a condition to Independent s obligation to complete the merger that Independent receive an opinion of its legal counsel, Day Pitney LLP, dated the closing date of the merger, to the effect that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. It is a condition to NEB s obligation to complete the merger that NEB receive an opinion of its legal counsel, Luse Gorman, PC, dated the closing date of the merger, to the effect that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code. These opinions will be based on assumptions, representations, warranties and covenants, including those contained in the merger agreement and in letters and certificates provided by NEB and Independent. The accuracy of such assumptions, representations and warranties, and compliance with such covenants, could affect the conclusions set forth in such opinions. None of the tax opinions given in connection with the merger or the opinions described below will be binding on the Internal Revenue Service. Neither Independent nor NEB intends to request any ruling from the Internal Revenue Service as to the U.S. federal income tax consequences of the merger. Consequently, no assurance can be given that the Internal Revenue Service will not assert, or that a court would not sustain, a position contrary to any of those set forth below. In addition, if any of the representations or assumptions upon which those opinions are based is inconsistent with the actual facts, the U.S. federal income tax consequences of the merger could be adversely affected.

As a result of the merger qualifying as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code based upon the opinions of Day Pitney LLP and Luse Gorman, PC, the following is a summary of their respective opinions of the material U.S. federal income tax consequences that will result:

Exchange Solely for Independent Common Stock. No gain or loss will be recognized by a NEB shareholder who receives solely shares of Independent common stock (except for cash received in lieu of fractional shares, as discussed below) in exchange for all of his or her shares of NEB common stock. The tax basis of the shares of Independent common stock received by a NEB shareholder in such exchange will be equal (except for the basis attributable to any fractional shares of Independent common stock, as discussed below) to the basis of the NEB common stock surrendered in exchange for the Independent common stock. The holding period of the Independent common stock received will include the holding period of shares of NEB common stock surrendered in exchange for the Independent common stock.

Cash in Lieu of Fractional Shares. A NEB shareholder who holds NEB common stock as a capital asset and who receives in the merger, in exchange for such stock, solely Independent common stock and cash in lieu of a fractional share interest in Independent common stock will be treated as having received such fractional share and then having received such cash in redemption of such fractional share. Gain or loss generally will be recognized based on the difference between the amount of cash received in lieu of the fractional share and the portion of the shareholder s aggregate adjusted basis in the shares of NEB common stock surrendered which is allocable to the fractional share. Such gain or loss generally will be long-term capital gain or loss if the shareholder s holding period for its NEB common stock exceeds one year at the effective time of the merger.

Tax Treatment of the Entities. No gain or loss will be recognized by Independent or NEB as a result of the merger. The tax basis of the assets of NEB in the hands of Independent will be the same as the tax basis of such assets in the hands of NEB immediately prior to the merger.

Reporting Requirements

A NEB shareholder who receives Independent common stock as a result of the merger will be required to retain records pertaining to the merger. Certain NEB shareholders are subject to certain reporting requirements

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with respect to the merger. In particular, such shareholders will be required to attach a statement to their tax returns for the year of the merger that contains the information listed in Treasury Regulation Section 1.368-3(b). Such statement must include the shareholder s adjusted tax basis in its NEB common stock and other information regarding the reorganization. NEB shareholders are urged to consult with their tax advisers with respect to these and other reporting requirements applicable to the merger.

Withholding Requirements

Certain NEB shareholders may be subject to U.S. federal backup withholding, at a rate of 28%, on cash received in lieu of fractional shares pursuant to the merger. Backup withholding will not apply, however, to a NEB shareholder who provides proof of an applicable exemption or furnishes its taxpayer identification number, and otherwise complies with all applicable requirements of the backup withholding rules. Amounts withheld, if any, are generally not an additional tax and may be refunded or credited against the NEB shareholder s U.S. federal income tax liability, provided that the NEB shareholder timely furnishes the required information to the Internal Revenue Service.

THE PRECEDING DISCUSSION IS A SUMMARY OF THE MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX CONSEQUENCES RELEVANT THERETO. SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS AS TO THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE MERGER (INCLUDING, BUT NOT LIMITED TO, TAX RETURN REPORTING REQUIREMENTS), AS WELL AS THE EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND ANY PROPOSED CHANGES TO APPLICABLE TAX LAWS.

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THE COMPANIES

INDEPENDENT

Independent is a Massachusetts corporation organized in 1985 and is registered with the Federal Reserve as a bank holding company under the Bank Holding Company Act. Independent is the sole shareholder of Rockland Trust, and its primary business is serving as the holding company of Rockland Trust.

Rockland Trust is a Massachusetts-chartered trust company. Rockland Trust was chartered in 1907. Rockland Trust s deposits are insured by the Deposit Insurance Fund of the FDIC up to applicable limits. Rockland Trust offers a full range of banking services through a network of 84 bank branches in eastern Massachusetts and its commercial lending centers and investment management offices in eastern Massachusetts and Providence, Rhode Island. Rockland Trust provides investment management and trust services to individuals, institutions, small businesses and charitable institutions throughout eastern Massachusetts and Rhode Island.

At March 31, 2016, Independent had total consolidated assets of approximately $7.2 billion, net loans of approximately $5.5 billion, total deposits of approximately $6.0 billion and total shareholders equity of approximately $788.1 million.

You can find more information about Independent in Independent s filings with the Securities and Exchange Commission referenced in the sections in this document titled Where You Can Find More Information and Incorporation of Certain Documents by Reference beginning on page 90.

NEB

NEB was incorporated under Massachusetts law in 2010 to become the holding company of Bank of Cape Cod, a Massachusetts trust company. Headquartered in Hyannis, Massachusetts, NEB operates its business from four banking offices: two located in Hyannis, one located in Osterville and one located in Falmouth. NEB provides a variety of financial services to individuals and small businesses primarily in the form of various deposit products and residential and commercial mortgage loans.

At March 31, 2016, NEB had total consolidated assets of $259.4 million, net loans of $230.7 million, total deposits of $207.8 million and total shareholders equity of $26.3 million.

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DESCRIPTION OF INDEPENDENT S CAPITAL STOCK

Independent is authorized to issue up to 75,000,000 shares of common stock, par value $0.01 per share, with 26,293,565 shares outstanding as of March 31, 2016. Independent is also authorized to issue up to 1,000,000 shares of preferred stock, par value $0.01 per share, none of which was issued as of March 31, 2016. The capital stock of Independent does not represent or constitute a deposit account and is not insured by the FDIC or by the Depositors Insurance Fund.

The following description of the Independent capital stock does not purport to be complete and is qualified in all respects by reference to Independent s articles of organization and bylaws, and the Massachusetts Business Corporation Act.

Common Stock

General

Each share of Independent common stock has the same relative rights and is identical in all respects with each other share of common stock.

Voting Rights

Each holder of common stock is entitled to one vote in person or by proxy for each share held on all matters voted upon by shareholders. Shareholders are not permitted to cumulate votes in elections of directors.

Preemptive Rights

Holders of common stock do not have any preemptive rights with respect to any shares that may be issued by Independent in the future. Thus, Independent may sell shares of its common stock without first offering them to the then holders of common stock.

Liquidation

In the event of any liquidation or dissolution of Independent, whether voluntary or involuntary, the holders of Independent common stock would be entitled to receive pro rata, after payment of all debts and liabilities of Independent (including all deposits of subsidiary banks and interest on those deposits), all assets of Independent available for distribution, subject to the rights of the holders of any preferred stock which may be issued with a priority in liquidation or dissolution over the holders of common stock.

Preferred Stock

The Independent board of directors is authorized, subject to limitations by its articles of organization and by applicable law, to issue preferred stock in one or more series. The Independent board of directors may fix the dividend, redemption, liquidation and conversion rights of each series of preferred stock, and may provide for a sinking fund or redemption or purchase account to be provided for the preferred stock. The board of directors may also grant voting rights to the holders of any series of preferred stock, subject to certain limitations in Independent s articles of organization. Specifically, the holders of any series of preferred stock may not be given the right to more than one vote per share on any matters requiring the approval or vote of the holders of Independent common stock, except as otherwise required by applicable law, the right to elect more than two Independent directors or, together with the holders of all other series of preferred stock, the right to elect in the aggregate more than six Independent directors.

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Other Provisions

The articles of organization and bylaws of Independent contain a number of provisions that may have the effect of discouraging or delaying attempts to gain control of Independent, including provisions:

- classifying the Independent board of directors into three classes to serve for three years, with one class being elected annually;
- authorizing the Independent board of directors to fix the size of the Independent board of directors;
- limiting for removal of directors by a majority of shareholders to removal for cause; and
- increasing the amount of stock required to be held by shareholders seeking to call a special meeting of shareholders above the minimum established by statute.

Massachusetts has adopted a business combination statute (Chapter 110F of the Massachusetts Business Corporation Act) that may also have additional anti-takeover effects to provisions in Independent s articles of organization and bylaws. Massachusetts has also adopted a control share statute (Chapter 110D of the Massachusetts Business Corporation Act), the provisions of which Independent has provided in its bylaws shall not apply to control share acquisitions of Independent within the meaning of said Chapter 110D.

Transfer Agent

The transfer agent and registrar for Independent common stock is Computershare Limited.

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COMPARISON OF RIGHTS OF SHAREHOLDERS OF NEB AND INDEPENDENT

This section describes the differences between the rights of holders of NEB common stock and the rights of holders of Independent common stock. While we believe that the description covers the material differences between the rights of the holders, this summary may not contain all of the information that is important to you. You should carefully read this entire document and refer to the other documents discussed below for a more complete understanding of the differences between your rights as a holder of NEB common stock and your rights as a holder of Independent common stock.

As a shareholder of NEB, a Massachusetts corporation, your rights are governed by Massachusetts law, NEB s articles of organization, as currently in effect, and NEB s bylaws, as currently in effect. When the merger becomes effective and you receive Independent common stock in exchange for your NEB shares, you will become a shareholder of Independent, a Massachusetts corporation. Independent s common stock is listed on the NASDAQ Global Select Market under the symbol INDB. As an Independent shareholder, your rights will be governed by Massachusetts law, Independent s articles of organization, as in effect from time to time, and Independent s bylaws, as in effect from time to time.

The following discussion of the rights of NEB shareholders and Independent shareholders under Massachusetts law, and the similarities and material differences between (i) the rights of NEB shareholders under the articles of organization and bylaws of NEB and (ii) the rights of Independent shareholders under the articles of organization and bylaws of Independent is only a summary of some provisions and is not a complete description of these similarities and differences. This discussion is qualified in its entirety by reference to Massachusetts law and the full texts of the articles of organization and bylaws of NEB and of the articles of organization and bylaws of Independent.

Capitalization

NEB

The total authorized capital stock of NEB consists of 9,000,000 shares of common stock, $0.01 par value per share, and 1,000,000 shares of preferred stock, $0.01 par value per share. As of the record date, there were 2,640,738 shares of common stock outstanding, 79,083 shares of unvested restricted common stock, 4,000 shares of preferred stock outstanding, 176,085 shares of common stock reserved for future issuance pursuant to outstanding options granted under NEB s equity plan, 136,000 shares of common stock reserved for issuance pursuant to outstanding warrants and 69,833 shares of common stock reserved for issuance pursuant to outstanding convertible subordinated notes issued by NEB.

As of the record date, 4,000 shares of the preferred stock designated as NEB Series A Preferred Stock are outstanding and have been issued to the United States Department of the Treasury under the Small Business Lending Fund program. Pursuant to the merger agreement, these shares of preferred stock are to be redeemed on or prior to the closing of the merger.

Independent

The total authorized capital stock of Independent consists of 75,000,000 shares of common stock, par value $0.01 per share and 1,000,000 shares of preferred stock, par value $0.01 per share. As of the record date, there were 26,481,867 shares of common stock outstanding, including 54,494 shares in the form of unvested performance based restricted stock awards without dividend or voting rights and 117,650 shares reserved for future issuance pursuant to outstanding options granted under Independent s benefit plans and no shares of preferred stock outstanding.

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Preemptive Rights

A preemptive right allows a shareholder to maintain its proportionate share of ownership of a corporation by permitting the shareholder to purchase a proportionate share of any new stock issuances. Preemptive rights protect the shareholders from dilution of value and control upon new stock issuances. Under Massachusetts law, unless the articles of organization say otherwise, shareholders have no preemptive rights.

NEB

NEB does not have a provision authorizing preemptive rights; in fact, NEB s articles of organization contain a provision specifically denying them. Accordingly, NEB shareholders do not have preemptive rights.

Independent

Independent also does not have a provision authorizing preemptive rights; in fact, Independent s articles of organization contain provisions specifically denying them. Accordingly, Independent s shareholders do not have preemptive rights.

Dividends and Other Stock Rights

NEB

Subject to applicable Massachusetts law and the NEB articles of organization and bylaws, the board of directors may from time to time declare, and NEB pay, dividends on outstanding shares of its capital stock. The holders of shares of NEB Series A Preferred Stock will be entitled to receive dividends in an amount per share described in NEB s articles of organization, subject to the rights of the holders of any shares of any series of preferred stock ranking prior and superior to such NEB Series A Preferred Stock with respect to dividends. Holders of NEB preferred stock, such as NEB Series A Preferred Stock, will also have priority over holders of common stock with respect to payments of dividends. The NEB board of directors is authorized to issue blank check preferred stock.

Independent

Independent can also pay dividends on its common stock in accordance with Massachusetts law. Independent s board of directors is also authorized to issue blank check preferred stock to (i) designate preferred stock, (ii) set dividend rates or the amount of dividends to be paid on the preferred stock, (iii) determine voting powers of the preferred stock, (iv) determine whether such preferred stock is redeemable by Independent, (v) determine the amount or amounts payable upon the preferred stock in the event of a voluntary or involuntary liquidation, dissolution or winding up of Independent, (vi) determine whether the preferred stock is entitled to the benefits of a sinking or retirement fund to be applied to the preferred stock, (vii) determine whether the preferred stock is convertible or exchangeable for shares of another class of Independent stock, (viii) determine the purchase price of the preferred stock and (ix) make other such determinations with respect to preferred stock.

When and if a quarterly cash dividend is declared by the board of directors, if any Independent shares of preferred stock are outstanding, the holders of shares of preferred stock will be entitled to receive dividends in an amount per share described in Independent s articles of organization, subject to the rights of the holders of any shares of any series of preferred stock ranking prior and superior to such Independent preferred stock with respect to dividends.

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Right to Call Special Meetings of Shareholders

NEB

Special meetings may be called:

- by the chairman of the board, vice chairman or the president;
- by a majority of the total number of directors NEB then in office; or
- by the chairman of the board, vice chairman of the board, president or secretary of NEB at the written request of shareholders of 25% of all votes entitled to be cast at the meeting.

Independent

Special meetings may be called:

- by the chairman of the board, if any;
- by the president;
- by a majority of the directors; and
- by the secretary or other officer at the written direction of the holders of at least two-thirds of the capital stock of the Independent entitled to vote at the meeting.

For shareholders to call a special meeting, Independent requires the written application of the holders of at least two-thirds of the capital stock, as opposed to 25% of all the votes entitled to be cast at the special meeting that is required for NEB shareholders to call a special meeting. Therefore, it may be more difficult for Independent s shareholders to call a special meeting.

Notice of Shareholder Meetings

NEB

NEB requires that notice of shareholder meetings be given not less than 7 days nor more than 60 days before the meeting.

Independent

Independent requires that notice of shareholder meetings be given not less than 7 days nor more than 60 days before the meeting.

Board of Directors Number and Term of Office

NEB

NEB s bylaws and articles of organization provide that the number of directors of the Corporation shall consist of not less than seven and no more than fifteen members, as fixed by the board of directors of NEB by resolution. NEB s bylaws and articles of organization provide that the directors shall be divided into three classes, as nearly equally in number as possible, creating a staggered board of directors. The vote of a plurality of the votes cast at a meeting is required to elect directors of NEB. A majority of the directors must be citizens of the Commonwealth of Massachusetts and residents therein. No person 75 years or older will be eligible for election, reelection, appointment or reappointment to the board of directors. In no event shall a director be eligible for election, reelection, appointment or reappointment to the board of directors following such director s twelfth cumulative year of service on the board of directors.

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NEB s bylaws and articles of organization also provide that any vacancy occurring in the board of directors, including vacancies resulting from an increase in the number of directors or vacancies resulting from the death, resignation, retirement, disqualification, removal from office or other cause, may be filled only by a majority vote of the directors then in office (even if such directors do not constitute a quorum). A director elected to fill a vacancy will be elected to hold office for a term expiring at the next election of directors.

Independent

Independent s bylaws and articles of organization provide that the number of directors shall be between three and 25 as fixed from time to time by vote of the board of directors at any regular or special meeting thereof. The board of directors may increase or decrease the number of directors in one or more classes to ensure that the three classes shall be as nearly equal as possible. Preference Stock Directors are those who may be elected by the holders of any class or series of stock having a preference over the common stock as to dividends or upon liquidation. Directors other than Preference Stock Directors shall be divided into three classes as nearly equally as possible, creating a staggered board of directors. Independent s bylaws and governance principles provide for majority voting in uncontested director elections. In an uncontested election, if an incumbent director standing for election is not reelected by a majority of the votes cast, the director is required to promptly tender a notice of resignation to the board of directors. The resignation is not effective unless accepted by the board of directors. The nominating committee would then recommend whether the board of directors should accept or reject a tendered resignation. In determining whether to accept a tendered resignation, the board of directors would consider the potential impact of the resignation on compliance with applicable legal and listing standards and any other factors deemed relevant. An election is uncontested if the number of persons nominated does not exceed the number of director positions to be filled at the meeting. In contested elections, the vote standard would be a plurality of votes cast. No director shall continue to serve once he or she attains the age of 72. Except for Preference Stock Directors, newly created directorships and vacancies on the board of directors shall be filled by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum. Any director so elected shall hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred.

Board of Director Nominations

NEB

Nominations for the election of directors at a meeting of shareholders may be made by the nominating committee of NEB. Additionally, shareholders may nominate directors to be elected at a meeting of shareholders if the shareholders nominations are made in writing and delivered to the secretary of NEB at least 40 days prior to the date of the meeting; provided, however, that in the event that less than 50 days notice or prior public disclosure of the date of the meeting is given or made to shareholders, nominations by shareholders must be received not later than the close of business on the 10th day following the day on which notice of the date of the meeting was mailed or such public disclosure was made. If shareholders do not comply with the foregoing process for nominating directors, no nominations for directors except those made by the nominating committee will be voted on at a meeting of shareholders.

Independent

Nominations for election to the board of directors at the annual meeting of shareholders may be made by or at the direction of the board of directors, the nominating committee, or by any shareholder entitled to vote for the election of directors at the time of the nomination and at the time of the meeting who provides appropriate written notice to the secretary. Notice shall be delivered to or mailed and received at the principal executive offices of the corporation not less than 75 nor more than 125 days prior to the anniversary date of the immediately preceding annual meeting of shareholders; provided, however, that in the event that the meeting is called for a date more than 75 days prior to such anniversary date, notice must be so received not later than the close of business on the 20th day following the day on which notice of the date of the meeting was mailed or public disclosure of the date of the meeting was made, whichever first occurs.

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The notice shall set forth (a) as to each person whom such shareholder proposes to nominate for election or re-election as a director, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class and number of shares of capital stock of Independent, if any, which are beneficially owned by the person, (iv) any other information regarding the nominee as would be required to be included in a proxy statement or other filings required to be filed pursuant to the proxy rules, and (v) the consent of each nominee to serve if elected; and (b) as to the shareholder giving notice, (i) the name and record address of the shareholder, (ii) the class and number of shares of capital stock of Independent beneficially owned by the shareholder as of the record date for the meeting (if such date has been made publicly available) and as of the date of such notice, (iii) a representation that the shareholder intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice, (iv) a representation that the shareholder (and any party on whose behalf or in concert with whom such shareholder is acting) is qualified at the time of giving such notice to have such individual serve as the nominee of such shareholder (and any party on whose behalf or in concert with whom such shareholder is acting) if such individual is elected, accompanied by copies of any notification or filings with, or orders or other actions by, any governmental authority which are required in order for such shareholder (and any party on whose behalf such shareholder is acting) to be so qualified, (v) a description of all arrangements or understandings between such shareholder and each such nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by such shareholder and (vi) such other information regarding such shareholder as would be required to be included in a proxy statement or other filings required to be filed pursuant to the proxy rules contained in the securities laws.

Removal and Resignation of Directors

NEB

NEB s bylaws provide that a director may resign at any time by delivering a written resignation to the board of directors or the chairman of the board, which will become effective upon receipt unless it is specified effective at a later time.

NEB s articles of organization provide that, subject to the rights of the holders of any series of preferred stock then outstanding, any director, or the entire board of directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least two-thirds of the voting power of all of the then-outstanding shares of capital stock entitled to vote generally in the election of directors voting together as a single class. The board of directors may remove any director from the board of directors for cause by a vote of two-thirds of the directors then in office.

Independent

Independent does not make specific provision for a method of resignation, but the bylaws do provide that vacancies can arise from resignation. A director may be removed for cause by the affirmative vote of the holders of a majority of all shares of the corporation outstanding and then entitled to vote generally in the election of directors.

Amendment of Bylaws

NEB

NEB s bylaws may be adopted, amended or repealed by a majority of the directors of NEB then in office. The bylaws may also be adopted, amended or repealed by an affirmative vote of the holders of at least two-thirds of the outstanding shares of capital stock of NEB entitled to vote voting together as a single class.

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Independent

The bylaws may be amended by the shareholders if appropriate notice has been given setting forth the substance of the proposed change. The bylaws, except those provisions that specify otherwise, may be amended or repealed by the board of directors.

Independent s bylaws provide that the shareholders may amend the bylaws, but make no provision for repeal by the shareholders. Independent s bylaws may be amended or repealed by the directors.

Amendment of Articles of Organization

NEB

NEB s articles of organization provides that, except as otherwise permitted under applicable law, no amendment, addition, repeal, alteration or change of the articles of organization shall be made, unless approved by the board of directors by the affirmative vote of at least a majority of the directors then in office, and thereafter approved by the shareholders by an affirmative vote of at least two-thirds of the total votes eligible to be cast in the election of directors.

In addition, the affirmative vote of the holders of at least 80% of the voting power of each of the then-outstanding classes of shares of the capital stock entitled to vote thereon, shall be required to amend, add to, change or repeal certain provisions of the articles of organization. Such provisions are titled Capital Stock, Preemptive Rights, Advance Notice and New Business, Directors, Amendment of Bylaws, Evaluation of Certain Business Combinations Indemnification, Limitation on Officers and Directors Liability, and Amendment to Articles of Organization.

Independent

Generally, the articles of incorporation of Independent may be amended or repealed only by a majority vote of the shareholders. Sections 4 and 5 of Article VI, dealing with preemptive rights and the amendment of the articles of incorporation, may be amended or repealed only by a two-thirds majority vote of the shareholders.

Limitation of Liability and Indemnification

NEB

NEB s articles of organization provide that, to the fullest extent permitted by Massachusetts law, no director, officer or employee will be personally liable to NEB or NEB shareholders for money damages. No amendment or repeal of any of the provisions of the articles of organization can limit or eliminate the limitation on liability with respect to any act or omission occurring prior to the amendment or repeal.

NEB s articles of organization provide that, subject to applicable laws, NEB will indemnify its directors, officers and employees, whether serving NEB or at NEB s request any other entity, to the full extent permitted by Massachusetts law, including the advance of expenses under the procedures and to the full extent permitted by law. The board of directors may take action necessary to carry out the indemnification provision in the articles of organization and is expressly empowered to adopt, approve and amend from time to time such bylaws, resolutions or contracts implementing such provisions or further arrangements permitted by law. NEB may maintain insurance to protect itself and any director, officer, employee or agent of NEB. NEB may, to the extent authorized from time to time by the board of directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of

NEB or a subsidiary to the fullest extent of the provisions of the articles of organization with respect to indemnification and advancement of expenses of directors and officers of the corporation.

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Independent

Independent s bylaws and articles of organization provide for the limitation on liability of directors and officers. Under the bylaws a director or officer shall not be personally liable to Independent or its shareholders for monetary damages for breach of fiduciary duty as a director or officer. However, the bylaws do not eliminate or limit the liability of a director or officer (i) for any breach of the director s or officer s duty of loyalty to Independent or its shareholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for improper distributions under Section 6.40 of Chapter 156D of the General Laws of Massachusetts, or (iv) for any transaction from which the director or officer derived an improper personal benefit. The stated intention of the bylaw provision is to limit the liability of a director or officer to the maximum extent allowed by law. To that end, the bylaws further provide that if the Massachusetts Business Corporation Act is amended to authorize the further elimination of, or limitation on, the liability of directors or officers, then the liability of a director or officer of Independent, in addition to the limitation of personal liability provided herein, shall be limited to the full extent permitted by such amendment or amendments.

The bylaws further provide that a director s or officer s conduct with respect to an employee benefit plan for a purpose he or she reasonably believed to be in the interests of the participants in, and the beneficiaries of, the plan is conduct that satisfies the requirement that his or her conduct was at least not opposed to the best interests of Independent.

Except in the circumstances described above, Independent may only indemnify a director or officer if so ordered by a court.

The determination of whether an officer or director has met the requirements for indemnification shall be made (i) if there are two or more disinterested directors, by the board of directors by a majority vote of all the disinterested directors, a majority of whom shall for such purpose constitute a quorum, or by a majority of the members of a committee of two or more disinterested directors appointed by vote; (ii) by special legal counsel; (iii) by the shareholders, but shares owned by or voted under the control of a director who at the time does not qualify as a disinterested director may not be voted on the determination. Independent may, in some circumstances, advance expenses to a director or officer who is a party to a proceeding.

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LEGAL MATTERS

Day Pitney LLP has issued a legal opinion concerning the validity of the shares of Independent common stock to be issued in connection with the merger. Certain U.S. federal income tax consequences relating to the merger will also be passed upon for Independent by Day Pitney LLP and for NEB by Luse Gorman, PC.

EXPERTS

The consolidated financial statements of Independent, appearing in Independent s Annual Report (Form 10-K) for the year ended December 31, 2015, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

Independent files annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. You may read and copy any reports, statements or other information that Independent files with the Securities and Exchange Commission at the Securities and Exchange Commission s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549.

You may obtain information on the operation of the Public Reference Room by calling the Securities and Exchange Commission at 1-800-SEC-0330. The Securities and Exchange Commission filings of Independent are also available to the public from commercial document retrieval services and at the web site maintained by the Securities and Exchange Commission at http://www.sec.gov. Reports, proxy statements and other information concerning Independent also may be inspected at the offices of Nasdaq located at 1735 K Street, N.W., Washington, D.C. 20006. Independent s Securities and Exchange Commission file number is 001-09047.

Independent has filed a registration statement on Form S-4 with the Securities and Exchange Commission to register the Independent common stock to be issued to NEB shareholders in the merger. This document is a part of that registration statement and constitutes a prospectus of Independent in addition to constituting a proxy statement for NEB. As allowed by Securities and Exchange Commission rules, this document does not contain all the information you can find in Independent s registration statement or the exhibits to the registration statement. Statements made in this document as to the content of any contract, agreement or other document referenced are not necessarily complete. With respect to each of those contracts, agreements or other documents to be filed or incorporated by reference as an exhibit to the registration statement, you should refer to the corresponding exhibit, when it is filed, for a more complete description of the matter involved and read all statements in this document in light of that exhibit.

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INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Securities and Exchange Commission allows Independent to incorporate by reference the information that Independent files with the Securities and Exchange Commission. Incorporation by reference means that Independent can disclose important information to you by referring you to other documents filed separately with the Securities and Exchange Commission that are legally considered to be part of this document, and later information that is filed by Independent with the Securities and Exchange Commission will automatically update and supersede the information in this document and the documents listed below.

For purposes of this proxy statement/prospectus, any statement contained in a document incorporated or deemed to be incorporated herein by reference shall be deemed to be modified or superseded to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated herein by reference modifies or supersedes such statement in such document.

Independent incorporates by reference the specific documents listed below and any future filings that Independent makes with the Securities and Exchange Commission under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this document and prior to the later of the date of the NEB shareholders meeting or the date on which the offering of shares of Independent common stock under this document is terminated:

Annual Report on Form 10-K for the year ended December 31, 2015;

Quarterly Report on Form 10-Q for the three months ended March 31, 2016;

Current Reports on Form 8-K filed with the Securities and Exchange Commission on January 21, 2016, January 25, 2016, February 17, 2016, March 7, 2016, March 17, 2016, March 17, 2016, March 18, 2016, March 23, 2016, April 21, 2016, April 25, 2016, May 24, 2016 and May 24, 2016 (except, with respect to each of the foregoing, for portions of such reports which were deemed to be furnished and not filed); and

Definitive proxy statement on Schedule 14A for the 2016 annual meeting of shareholders.

You can obtain any of the Independent documents incorporated by reference into this document, and any exhibits specifically incorporated by reference as an exhibit in this document, at no cost, by contacting Independent at:

Independent Bank Corp.

288 Union Street

Rockland, Massachusetts 02370

Attention: Edward H. Seksay, General Counsel

(781) 982-6158

You should rely only on the information contained or incorporated by reference into this document. Independent has supplied all information contained or incorporated by reference into this document relating to Independent. NEB has supplied all information contained in this document relating to NEB. Neither Independent nor NEB has authorized anyone to provide you with information that is different from what is contained in this document. This document is dated June [ ], 2016. You should not assume that the information contained in this document is accurate as of any date other than that date. Neither the mailing of this document to NEB shareholders nor the issuance of Independent common stock in the merger creates any implication to the contrary.

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Annex A

Execution Version

AGREEMENT AND PLAN OF MERGER

DATED AS OF MARCH 17, 2016

BY AND AMONG

INDEPENDENT BANK CORP.,

ROCKLAND TRUST COMPANY,

NEW ENGLAND BANCORP, INC.,

AND

BANK OF CAPE COD

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EXHIBITS

This **AGREEMENT AND PLAN OF MERGER** (this Agreement) is dated as of March 17, 2016, by and among Independent Bank Corp. (Buyer), Rockland Trust Company, a wholly owned subsidiary of Buyer (Buyer Bank), New England Bancorp, Inc. (Company), and Bank of Cape Cod, a wholly owned subsidiary of Company (Company Bank). Capitalized terms used in this Agreement are defined to have the meaning set forth in Article VIII.

W I T N E S S E T H

WHEREAS, the board of directors of Buyer and the board of directors of Company have each (i) determined that this Agreement and the business combination and related transactions it contemplates are in the best interests of their respective entities and stockholders; and (ii) approved this Agreement;

WHEREAS, in accordance with the terms of this Agreement, (i) Company will merge with and into the Buyer, with Buyer as the surviving entity (the Merger), and thereafter (ii) Company Bank will merge with and into Buyer Bank, with Buyer Bank as the surviving entity (the Bank Merger);

WHEREAS, as a material inducement to Buyer to enter into this Agreement, each of the directors and Executive Officers of Company has entered into a voting agreement with Buyer dated as of the date hereof (a Voting Agreement), substantially in the form attached as Exhibit A pursuant to which each of them has agreed to vote all shares of Company Common Stock (as defined herein) they own in favor of the approval of this Agreement and the transactions it contemplates;

WHEREAS, the parties desire to make certain representations, warranties and agreements in connection with the transactions described in this Agreement and to prescribe certain conditions thereto.

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

ARTICLE I

THE MERGER

Section 1.01 The Merger. Subject to the terms and conditions of this Agreement, at the Effective Time, Company shall merge with and into Buyer in accordance with the Massachusetts Business Corporation Act (the MBCA) and the requirements of the Massachusetts Board of Bank Incorporation. Upon consummation of the Merger, the separate corporate existence of Company shall cease and Buyer shall survive and continue to exist as a corporation incorporated under the MBCA (Buyer, as the surviving entity in the Merger, sometimes being referred to herein as the Surviving Entity).

Section 1.02 Articles of Organization and Bylaws. The Articles of Organization and Bylaws of the Surviving Entity upon consummation of the Merger shall be the Articles of Organization and Bylaws of Buyer as in effect immediately prior to consummation of the Merger.

Section 1.03 Directors and Officers of Surviving Entity. The directors of the Surviving Entity immediately after the Merger shall be the directors of Buyer in office immediately prior to the Effective Time. The executive officers of the Surviving Entity immediately after the Merger shall be the executive officers of Buyer immediately prior to the Merger. Each of the directors and executive officers of the Surviving Entity immediately after the Merger shall hold office until his or her successor is elected and qualified or otherwise in accordance with the Articles of Organization and Bylaws of the Surviving Entity.

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Section 1.04 Effective Time; Closing.

(a) Subject to the terms and conditions of this Agreement, Buyer and Company will make all such filings as may be required to consummate the Merger by applicable Laws. The Merger shall become effective as set forth in the articles of merger related to the Merger (the Articles of Merger) that shall be filed with the Massachusetts Secretary of the Commonwealth on the Closing Date. The Effective Time of the Merger shall be the date and time when the Merger becomes effective as set forth in the Articles of Merger.

(b) A closing (the Closing) shall take place immediately prior to the Effective Time by the electronic (PDF), facsimile or overnight courier exchange of executed documents at the offices of Day Pitney LLP, One International Place, Boston, MA 02110, or such other place or on such other date as the parties may mutually agree upon (such date, the Closing Date). At the Closing, there shall be delivered to Buyer and Company the certificates and other documents required to be delivered under Article VI hereof.

Section 1.05 Tax Consequences. It is intended that the Merger shall qualify as a reorganization under Section 368(a) of the Code and the Treasury Regulations promulgated thereunder, and that this Agreement shall constitute a plan of reorganization for purposes of Sections 354 and 361 of the Code and the Treasury Regulations promulgated thereunder. 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 and the Bank Merger each to qualify as a reorganization under Section 368(a) of the Code and shall refrain from taking any action that reasonably could be expected to cause the Merger and the Bank Merger each to fail to qualify as such a reorganization.

Section 1.06 Additional Actions. If, at any time after the Effective Time, Buyer 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, of record or otherwise, in Buyer its right, title or interest in, to or under any of the rights, properties or assets of Company or any Company Subsidiary, or (ii) otherwise carry out the purposes of this Agreement, Company and its officers and directors shall be deemed to have granted to Buyer 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 Buyer its right, title or interest in, to or under any of the rights, properties or assets of Company or (b) otherwise carry out the purposes of this Agreement, and the officers and directors of the Buyer are authorized in the name of Company or otherwise to take any and all such action.

ARTICLE II

MERGER CONSIDERATION; EXCHANGE PROCEDURES

Section 2.01 Merger Consideration. Subject to the provisions of this Agreement, at the Effective Time, automatically by virtue of the Merger and without any action on the part of Buyer, Company or any stockholder of Company:

(a) Each share of Buyer Common Stock that is issued and outstanding immediately prior to the Effective Time shall remain outstanding following the Effective Time and shall be unchanged by the Merger.

(b) Each share of Company Common Stock (i) held as treasury stock or (ii) owned directly by Buyer (other than, in the case of clause (ii), shares in trust accounts, managed accounts and the like for the benefit of customers or shares held in satisfaction of a debt previously contracted) immediately prior to the Effective Time shall be cancelled and retired at the Effective Time without any conversion thereof, and no payment shall be made with respect thereto.

(c) Each share of Company Common Stock issued and outstanding immediately prior to the Effective Time (other than Dissenters Shares (as such term is hereinafter defined) and shares described in Section 2.01(b) above) shall become and be converted into, as provided in and subject to the limitations set forth in this

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Agreement, the right to receive 0.25 shares (the Exchange Ratio) of Buyer Common Stock (the Stock Consideration). The Stock Consideration and any cash in lieu of fractional shares paid pursuant to Section 2.03 are sometimes referred to herein collectively as the Merger Consideration.

(d) Notwithstanding anything in this Agreement to the contrary, Buyer shall pay for any shares of Company Common Stock, the holders of which have exercised their rights under Part 13 of Chapter 156D of the MBCA (Dissenters Shares) and the holders thereof shall not be entitled to receive any Merger Consideration; provided, that if appraisal rights under Part 13 of Chapter 156D of the MBCA with respect to any Dissenters Shares shall have been effectively withdrawn or lost, such shares will thereupon cease to be treated as Dissenters Shares and shall be converted into the right to receive the Merger Consideration pursuant to Section 2.01(c).

Section 2.02 Rights as Stockholders; Stock Transfers. All shares of Company Common Stock, if and when converted as provided in Section 2.01(c), shall no longer be outstanding and shall automatically be cancelled and retired and shall cease to exist, and each Certificate previously evidencing such shares shall thereafter represent only the right to receive for each such share of Company Common Stock, the Merger Consideration. After the Effective Time, there shall be no transfers on the stock transfer books of Company of shares of Company Common Stock.

Section 2.03 Fractional Shares. Notwithstanding any other provision hereof, no fractional shares of Buyer Common Stock and no certificates or scrip therefor, or other evidence of ownership thereof, will be issued in the Merger. In lieu thereof, Buyer shall pay to each holder of a fractional share of Buyer Common Stock an amount of cash (without interest) determined by multiplying the fractional share interest to which such holder would otherwise be entitled by the VWAP of the Buyer Common Stock for the five (5) consecutive trading days ending on the fifth trading day immediately preceding the Closing Date, rounded to the nearest whole cent (the Closing VWAP).

Section 2.04 Reserved.

Section 2.05 Exchange Procedures.

(a) On or before the Closing Date, for the benefit of the holders of Certificates (other than holders of Dissenters Shares), (i) Buyer shall cause to be delivered to the Exchange Agent, for exchange in accordance with this Article II, certificates representing the shares of Buyer Common Stock issuable pursuant to this Article II or evidence of shares in book entry form (New Certificates) and (ii) Buyer shall deliver, or shall cause to be delivered, to the Exchange Agent cash equal to the aggregate amount of cash to be paid in lieu of fractional shares of Buyer Common Stock (such cash and New Certificates, being hereinafter referred to as the Exchange Fund).

(b) As promptly as practicable, but in any event no later than five (5) Business Days following the Effective Time, and provided that Company has delivered, or caused to be delivered, to the Exchange Agent all information that is necessary for the Exchange Agent to perform its obligations as specified herein, the Exchange Agent shall mail to each holder of record of a Certificate or Certificates a form of letter of transmittal (which shall 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) and instructions for use in effecting the surrender of the Certificates in exchange for the Merger Consideration as provided for in this Agreement. Upon proper surrender of a Certificate for exchange and cancellation to the Exchange Agent, together with a properly completed letter of transmittal, duly executed, the holder of such Certificate shall be entitled to receive in exchange therefor, as applicable, (i) a New Certificate representing that number of shares of Buyer Common Stock to which such former holder of Company Common Stock shall have become entitled pursuant to this Agreement, and (ii) a check representing the amount of cash (if any) payable in lieu of a fractional share of Buyer Common Stock which such former holder has the right to receive in respect of the Certificate surrendered pursuant to this Agreement, and the Certificate so surrendered shall forthwith be cancelled.

Until surrendered as contemplated