

COASTWAY BANCORP, MHC

CERTIFICATE

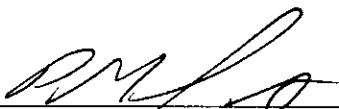
WHEREAS, an Application for Certificate for a Financial Institution Without Trust Powers has been submitted to the Director of the Department of Business Regulation (“Director”), together with the records of the first meeting of the subscribers to the Agreement to Form for the purpose of forming **Coastway Bancorp, MHC** (the “Application”);

WHEREAS, the Director has examined the Application and records accompanying the same;

WHEREAS, the Director finds that the Application and records accompanying the same conform to all provisions of applicable laws and regulations, including but not limited to the Banking Laws of the State of Rhode Island, and that public convenience and advantage will be promoted by the establishment of said **Coastway Bancorp, MHC**; and,

WHEREAS, the Director finds that the Application and records accompanying the same conform to all the provisions and conditions of Administrative Order Number 12-14 entered by the Department on September 4, 2012.

NOW THEREFORE, the undersigned Director approves the Application as of this 25th day of January, 2013.



Paul McGreevy, Director
State of Rhode Island and Providence Plantations
Department of Business Regulation

2013 JAN 31 AM 10:43
DEPARTMENT OF STATE
CORPORATE SERVICES DIV

FILED

JAN 31 2013
BY 912 085-188890
10:43 AM



State of Rhode Island
Department of Business Regulation



DIVISION OF BANKING

APPLICATION FOR CERTIFICATE FOR
A FINANCIAL INSTITUTION *WITHOUT* TRUST POWERS (APPLICATION)

We, Mark Crevier, Lynda Dickinson, James Fiore, Hon. Francis Flaherty, Peter Koch, Phil Kydd, Dennis Murphy, Debra Paul, and William White being the President and a majority of the Directors elected at an adjournment of the first meeting of the subscribers to the Agreement to Form Coastway Bancorp, MHC (Agreement to Form) for the purpose of forming a financial institution pursuant to Title 19, Chapter 2 of the Rhode Island General Laws to transact business authorized by Title 19 within this State, hereby certify:

FIRST: That a true copy of the Agreement to Form, with the names of the subscribers thereto is attached hereto as Exhibit A and made a part hereof

SECOND: That the following is the name of each subscriber to the Agreement to Form:

- | | |
|--------------------------|----------------------|
| 1. Mark Crevier | 9. Debra Paul |
| 2. Lynda Dickinson | 10. William A. White |
| 3. James Fiore | 11. Valerie Fuchs |
| 4. Hon. Francis Flaherty | 12. Stephen Gibbons |
| 5. Peter Koch | 13. Richard Petrarca |
| 6. Phil Kydd | 14. Jana Planka |
| 7. Dennis Murphy | 15. Paul Wielgus |
| 8. Edward D. Pare Jr. | 16. William Preston |

[Attach additional pages hereto if more than fifteen (15) Subscribers]

THIRD: All of the subscribers to the Agreement to Form have executed a Notice of First Meeting and Waiver (Notice and Waiver). A duly executed copy of said Notice and Waiver is attached hereto as Exhibit B.

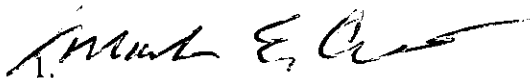
FOURTH: That the date of the first meeting was February 23, 2012.


The records of said meeting are attached hereto and marked collectively as Exhibit C.

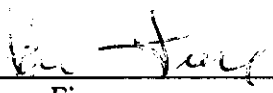
FIFTH: That the name, residence, and post office address of each of the officers of the financial institution is as follows:


<u>Name</u>	<u>Office</u>	<u>Residence</u>	<u>Post Office Address</u>
William A. White	President / CEO	90 Crickett Circle East Greenwich, R.I.	Same
Richard Petrarca	Exec. VP / CFO	189 Bingham Street Warwick, R.I.	Same
Jana Planka	Exec. VP / Chief Retail Officer	10 Beach Plum Road Narragansett, R.I.	Same
Stephen Gibbons	Exec. VP / Business Lending	43 MacIntosh Drive Cranston, R.I.	Same
Paul Wielgus	Exec. VP / Chief Credit Officer	128 Ferry Lane Barrington, R.I.	Same
Valeria Fuchs	Exec. VP / Chief Information Systems Officer	11 Water Way Court Barrington, R.I.	Same

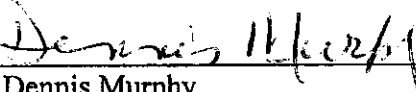
Signatures of the President and a Majority of the Directors

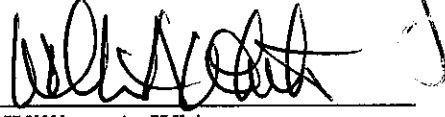
1. 
Mark Crevier

6. 
Lynda Dickinson

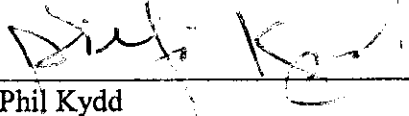
2. 
James Fiore

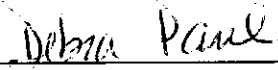
3. 
Peter Koch

4. 
Dennis Murphy

5. 
William A. White

7. 
Hon. Francis X. Flaherty

8. 
Phil Kydd

9. 
Debra Paul

ACKNOWLEDGEMENT

STATE OF RHODE ISLAND

COUNTY OF Providence

In Coaston RI on the 23rd day of February, 2012 before me personally appeared the above named **Mark Crevier, Lynda Dickinson, James Fiore, Hon. Francis Flaherty, Peter Koch, Phil Kydd, Dennis Murphy, Debra Paul, and William White.** Subscribed and sworn to this 23rd day of February, 2012, before the undersigned, a notary public in and for said State.

Judith Teple
Notary Public

Print Name Judith Teple
My Commission Expires: 11/4/2014

EXHIBIT A
AGREEMENT TO FORM FINANCIAL INSTITUTION

(see attached)

AGREEMENT TO FORM FINANCIAL INSTITUTION

We, the subscribers, all citizens and residents of the State of Rhode Island, associate ourselves with the intention to form a financial institution to transact business within this State. And we further agree to and with each other:

FIRST:

That the financial institution shall be known by the name of COASTWAY BANCORP, MHC.

SECOND:

That the financial institution shall be formed for the purpose of becoming the mutual holding company of Coastway Community Bank and thereafter engaging in the business of a mutual holding company, with all of the powers, rights and privileges and subject to all of the duties, restrictions and liabilities applicable to financial institutions and mutual holding companies set forth in Title 19 of the General Laws of Rhode Island, as amended, provided that the financial institution shall not accept deposits.

THIRD:

That the address at which the financial institution's business shall initially be transacted and its main office shall initially be located is One Coastway Plaza, Cranston, Rhode Island 02920.

FOURTH:

That the financial institution does not intend to exercise trust powers.

FIFTH:

That the financial institution shall be under the direction of a Board of Directors. The number of directors shall be not less than seven (7) nor more than fifteen (15) as established by resolution of the Board of Directors, except as otherwise required by applicable law. The number of Directors shall initially be set at nine (9). The names and addresses and terms of office of the original Directors under this Agreement to Form are set forth in Appendix A hereto. Any action to be taken at any annual or special meeting of the Board of Directors may be taken without a meeting if such number of Directors as would be required by law to approve the matter at a meeting consent in writing to the taking of such action by written consent and without a meeting and the written consents are filed with the records of the meetings of the Board of Directors. Such consents shall be treated for all purposes as a vote at a duly constituted meeting of the Board of Directors.

SIXTH:

That the duration of the financial institution is perpetual.

SEVENTH:

That the financial institution shall not commence business until it shall have a minimum paid-in capital and surplus of at least Three Million Dollars (\$3,000,000.00).

EIGHTH:

That a Director of the financial institution shall not be liable to the Corporation or its members for monetary damages for breach of duty as a Director, except to the extent that exculpation from liability is not permitted under applicable Rhode Island or federal law. No amendment or repeal of this Article EIGHTH shall apply to or have any effect on the liability or alleged liability of any Director of the financial institution for or with respect to any cause of action arising prior to such amendment or repeal.

NINTH:

That the Directors, officers and employees of the financial institution shall be indemnified to the extent provided in the By-laws.

TENTH:

That the financial institution may be a partner in any business enterprise which it would have power to conduct by itself.

ELEVENTH:

That meetings of the members may be held at such place in the State of Rhode Island or, if permitted by applicable law, elsewhere in the United States as the Board of Directors may determine. Except as otherwise provided by law, from and after the merger of Coastway Community Bank with and into Coastway Interim Bank pursuant to the Agreement and Plan of Mutual Holding Company Reorganization of Coastway Community Bank (the "Merger"), all existing and future depositors of Coastway Community Bank shall be members of the financial institution and shall have the same rights, including liquidation rights under R.I. Gen. Laws § 19-2-14.1 or any applicable successor provision thereto, as were conferred upon depositors of Coastway Community Bank immediately prior to the Merger. Except as otherwise provided by law, all existing and future depositors of any financial institution that is acquired by the financial institution directly or indirectly through any intermediate stock holding company subsidiary in the future and that is in the mutual form or controlled by a mutual holding company immediately prior to such acquisition (each such acquired financial institution, a "Mutual Acquiree Financial Institution") shall be members of the financial institution and shall have the same rights, including liquidation rights under R.I. Gen. Laws §19-2-14.1, as are conferred upon depositors of Coastway Community Bank immediately prior to such acquisition, *provided that*, if such Mutual Acquiree Financial Institution or any other financial institution (either, a "Merging Acquiree Financial Institution") is at any time merged into Coastway Community Bank or another financial institution already owned or controlled, directly or indirectly through any

intermediate stock holding company subsidiary, by the financial institution (each such controlled financial institution, a "Subsidiary Financial Institution"), then the depositors of such Merging Acquiree Financial Institution shall, from and after the effective time of said merger, have and only have the same rights with respect to the financial institution as the depositors of the Subsidiary Financial Institution into which such Merging Acquiree Financial Institution is merged.

TWELFTH:

That the financial institution shall at all times own, directly or indirectly through one or more intermediate stock holding company subsidiaries, a majority of the voting shares of capital stock of the Subsidiary Financial Institution and of any Mutual Acquiree Subsidiary Financial Institution (each as defined in Article Eleventh of this Agreement to Form), until such time as it shall be merged with or into the Subsidiary Financial Institution or any other Mutual Acquiree Subsidiary Financial Institution.

THIRTEENTH:

That the financial institution may, if in a solvent condition, and subject to the approval of the Director of Business Regulation of the State of Rhode Island or his or her designee, go into a state of voluntary liquidation and be closed by vote of at least two-thirds of the members of the financial institution present in person or by proxy at a meeting called by the Board of Directors. Any such voluntary liquidation shall be conducted in accordance with applicable law.

FOURTEENTH:

That, subject to approval of the Director of the Rhode Island Department of Business Regulation or his or her designee, this Agreement to Form may be amended by a majority vote of the members present and voting in person or by proxy at a meeting called expressly for the purpose.

FIFTEENTH:

That the following is the name, residence address, and post office address, for each subscriber to this Agreement to Form:


Name	Residence	Post Office Address
1. Mark Crevier	129 Walmsley Lane Saunders town, R.I.	Same
2. Lynda Dickinson	192 Pineglen Drive East Greenwich, R.I.	Same
3. James Fiore	4496 Post Road, Unit 10 East Greenwich, R.I.	Same
4. Hon. Francis Flaherty	66 Dory Road Warwick, R.I.	Same


5. Peter Koch	45 Verdant Lane Warwick, R.I.	Same
6. Phil Kydd	40 Metcalf Street Warwick, R.I.	Same
7. Dennis Murphy	40 Elm Street Rehoboth, MA	Same
8. Edward D. Pare Jr.	30 Watch Hill Way South Kingstown, R.I.	Same
9. Debra Paul	14 Jasons Grant Cumberland, R.I.	Same
10. William A. White	90 Crickett Circle East Greenwich, R.I.	Same
11. Valerie Fuchs	11 Water Way Court Barrington, R.I.	Same
12. Stephen Gibbons	43 MacIntosh Drive Cranston, R.I.	Same
13. Richard Petrarca	189 Bingham Street Warwick, R.I.	Same
14. Jana Planka	10 Beach Plum Road Narragansett, R.I.	Same
15. Paul Wielgus	128 Ferry Lane Barrington, R.I.	Same
16. William Preston	31 Charlotte Drive East Greenwich, R.I.	Same

SIXTEENTH:

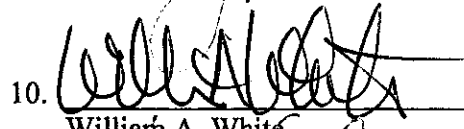
That undersigned hereby designate William A. White, one of the subscribers hereto, for the purpose of calling the first meeting of the subscribers of this Agreement to Form.

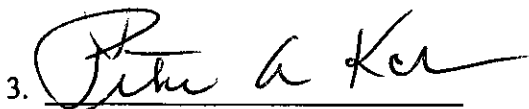
Signatures of the Subscribers

1. 
Mark Crevier

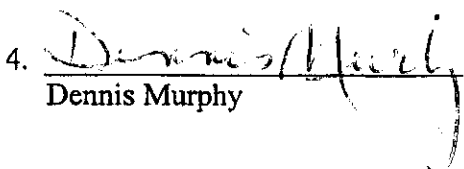
9. 
Edward D. Pare, Jr.

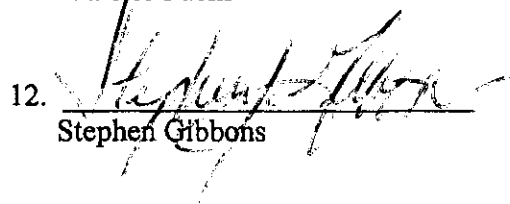
2. 
James Fiore

10. 
William A. White

3. 
Peter Koch

11. 
Valerie Fuchs

4. 
Dennis Murphy

12. 
Stephen Gibbons

5. Debra Paul
Debra Paul

13. Richard Petrarca
Richard Petrarca

6. Lynda Dickinson
Lynda Dickinson

14. Jana Planka
Jana Planka

7. Hon. Francis X. Flaherty
Hon. Francis X. Flaherty

15. Paul Wielgus
Paul Wielgus

8. Phil Kydd
Phil Kydd

16. _____
William Preston

ATTEST:

James Fiore
James Fiore, Secretary

5. Debra Paul
Debra Paul

13. Richard Petrarca
Richard Petrarca

6. Lynda Dickinson
Lynda Dickinson

14. Jana Planka
Jana Planka

7. Hon. Francis X. Flaherty
Hon. Francis X. Flaherty

15. Paul Wielgus
Paul Wielgus

8. Phil Kydd
Phil Kydd

16. William Preston
William Preston

ATTEST:
James Fiore
James Fiore, Secretary


EXHIBIT B

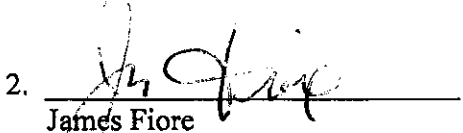
NOTICE OF FIRST MEETING AND WAIVER

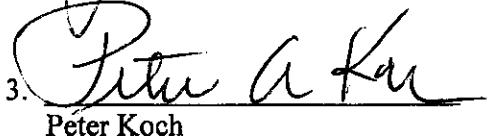
WE, the undersigned, being all the subscribers, waive notice of the first meeting of the subscribers to the within Agreement to Form Coastway Bancorp, MHC, and fix the time and place of such meeting at Seven o'clock, p.m., February 23, 2012 in the Board Room at the offices of Coastway Community Bank, One Coastway Plaza in Cranston, Rhode Island.

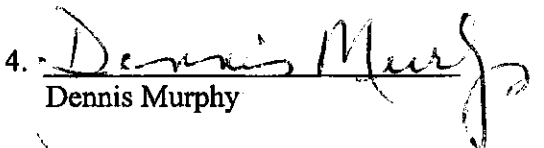
The purpose of the meeting is to adopt Bylaws, elect directors and officers, approve a plan of mutual holding company reorganization, authorize the filing of certain applications, and to conduct any other business that may come properly before the meeting,

Signatures of the Subscribers

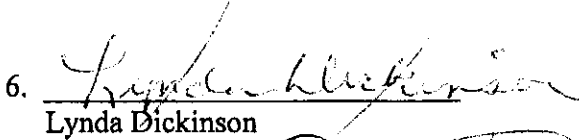
1. 
Mark Crevier

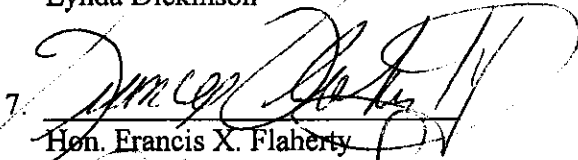
2. 
James Fiore

3. 
Peter Koch

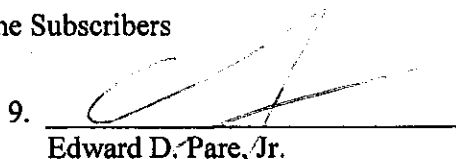
4. 
Dennis Murphy

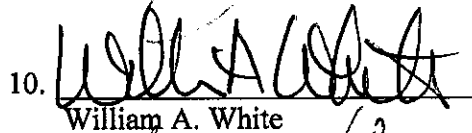
5. 
Debra Paul


6. 
Lynda Dickinson

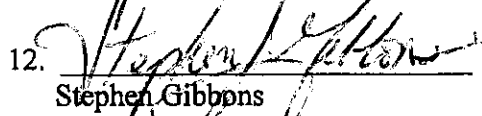
7. 
Hon. Francis X. Flaherty

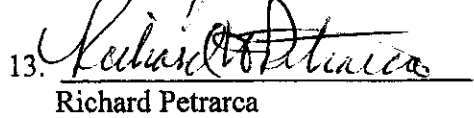
8. 
Phil Kydd

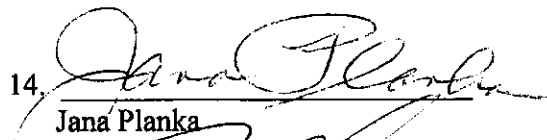
9. 
Edward D. Pare, Jr.

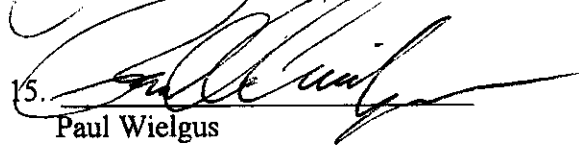
10. 
William A. White

11. 
Valerie Fuchs

12. 
Stephen Gibbons

13. 
Richard Petrarca

14. 
Jana Planka

15. 
Paul Wielgus

16. _____
William Preston

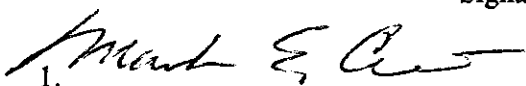
EXHIBIT B

NOTICE OF FIRST MEETING AND WAIVER

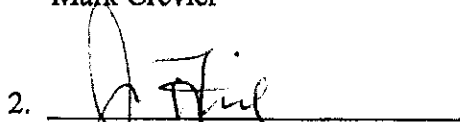
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The purpose of the meeting is to adopt Bylaws, elect directors and officers, approve a plan of mutual holding company reorganization, authorize the filing of certain applications, and to conduct any other business that may come properly before the meeting,

Signatures of the Subscribers

1. 

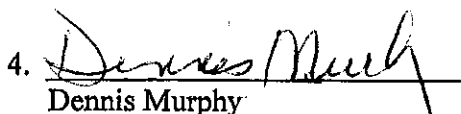
Mark Crevier

2. 

James Fiore

3. 

Peter Koch

4. 

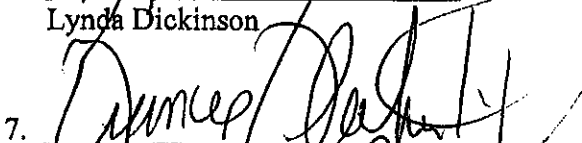
Dennis Murphy

5. 

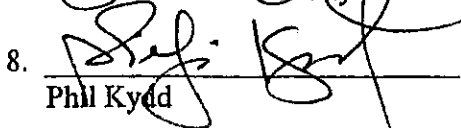
Debra Paul

6. 

Lynda Dickinson

7. 

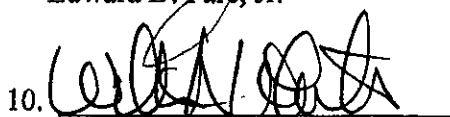
Hon. Francis X. Flaherty

8. 

Phil Kydd

9. 

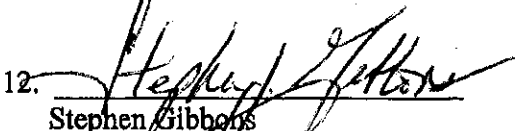
Edward D. Pare, Jr.

10. 

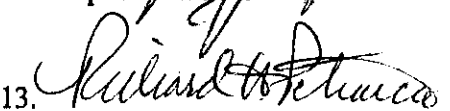
William A. White

11. 

Valerie Fuchs

12. 

Stephen Gibbons

13. 

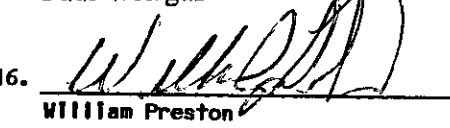
Richard Petrarca

14. 

Jana Planka

15. 

Paul Wielgus

16. 

William Preston

EXHIBIT C
RECORDS OF FIRST MEETING

(see attached)

**FIRST MEETING OF SUBSCRIBERS TO
AGREEMENT TO FORM OF
COASTWAY BANCORP, MHC**

The first meeting of the Subscribers to an Agreement to Form dated February 23, 2012 (herein the "Agreement") which Agreement caused the formation of Coastway Bancorp, MHC (the "MHC"), was held on February 23, 2012, in the Board Room at the offices of Coastway Community Bank, One Coastway Plaza, Cranston, Rhode Island pursuant to a Waiver of Notice of such meeting contained in the Agreement.

Present were:

- | | |
|-----------------------------|-------------------------|
| 1. Mark Crevier | 9. Dennis Murphy |
| 2. Lynda Dickinson | 10. Edward H. Pare, Jr. |
| 3. James Fiore | 11. Debra Paul |
| 4. Hon. Francis X. Flaherty | 12. Richard Petrarca |
| 5. Valerie Fuchs | 13. Jana Planka |
| 6. Stephen Gibbons | 14. William A. White |
| 7. Phil Kydd | 15. Paul Wielgus |
| 8. Peter Koch | |

being all of the Subscribers to the Agreement except William Preston, who was unavailable..

Upon motion being duly made and seconded, Mark Crevier was elected Chairperson of the meeting, and James Fiore was elected Secretary.

The Chairperson then presented the form of the Agreement and the same was ordered affixed to the minutes of the meeting.

The Chairperson then reported that a copy of the Agreement, executed by the Subscribers, will be filed with the Rhode Island Department of Business Regulation, Division of Banking (the "DBR") in connection with the application of the Subscribers and the MHC for a certificate that public convenience and advantage will be promoted by the establishment of the MHC for the purpose of carrying on the business of a mutual holding company in connection with the reorganization of Coastway Community Bank into a mutual holding company structure.

The Chairperson further advised the Subscribers that, pursuant to law, the MHC will be furnished with a form of notice by the DBR specifying the names of the proposed Subscribers, the name and location of the MHC and the date and place where the public may review and make comments on the applications, which notice shall need to be published by the MHC for three (3) weeks. In addition, a certificate of the President and the Directors of the MHC, elected at this meeting, shall be filed with the DBR, together with the records of this meeting, which certificate

shall attach a copy of the Agreement and shall include the names of the Subscribers to the Agreement, and the name, residence and post office address of each of the officers of the MHC and the date of this meeting. Upon a finding of convenience and advantage by the DBR, and upon a determination of the character and fitness of the Directors and officers of the MHC, and upon payment of the necessary fees to the state treasury and compliance with any other requirements of law, a filing shall be made with the Rhode Island Secretary of State who shall issue a certificate of legal organization.

The Chairperson advised the meeting that the organization of the MHC, including the adoption of bylaws and the election of Directors and officers, could be done, conditional upon the issuance of the certificate of public convenience and advantage and certificate of legal organization.

The Chairperson then stated that it was in order for the meeting to consider the adoption of bylaws of the MHC. He then exhibited a draft of the proposed bylaws of the MHC to the meeting. Upon motion duly made and seconded, it was unanimously

VOTED: That the bylaws presented to this meeting be, and the same hereby are, approved and adopted as the bylaws of the MHC subject to any amendments or additions which may be required by the Director of the DBR, and that a copy of said bylaws as finally approved by the DBR be attested by the Secretary of the MHC and attached to the minutes of the meeting.

The meeting then proceeded to elect a Board of Directors, each to serve staggered three-year terms until the respective annual meeting of the members in the year indicated or until their successors are duly elected and qualified.

Nominations having been duly made and seconded, it was unanimously

VOTED: That initial number of Directors having been fixed at nine (9), the following persons be, and they hereby are, elected as Directors of the MHC, each to hold office for staggered three year terms until the respective annual meeting of the members in the year indicated or until their successors are duly elected and qualified:

	<u>Term Expires In (Year)</u>
1. Mark Crevier	<u>2014</u>
2. Lynda Dickinson	<u>2013</u>
3. James Fiore	<u>2015</u>
4. Hon. Francis X. Flaherty	<u>2014</u>
5. Phil Kydd	<u>2013</u>
6. Peter Koch	<u>2013</u>
7. Dennis Murphy	<u>2015</u>

8. Debra Paul 2014
 9. William A. White 2015

The meeting then proceeded to the election of officers in accordance with Article V of the bylaws.

Nominations having been duly made and seconded, it was unanimously

VOTED: That the following persons be, and they hereby are, elected as officers of the MHC to hold office until the next annual meeting of the Members and until their successors are duly elected and qualified:

Chairman of the Board	--	Mark Crevier
President and Chief Executive Officer	--	William A. White
Executive Vice President/Chief Financial Officer	--	Richard Petrarca
Executive Vice President/Chief Retail Banking Officer	--	Jana Planka
Executive Vice President/Chief Commercial Lending Officer	--	Stephen Gibbons
Executive Vice President//Chief Credit Officer	--	Paul Wielgus
Executive Vice President/Chief Information Sys. Officer	--	Valeria Fuchs
Secretary	--	James Fiore

All of the officers so elected were then sworn to the faithful performance of their duties.

The Chairperson then indicated that it was in order for the meeting to consider the Plan of Reorganization. He then exhibited the proposed Plan of Reorganization as adopted by Coastway Community Bank to the meeting. Upon motion duly made and seconded, it was unanimously

VOTED: That the Subscribers hereby authorize and approve the Agreement and the Plan of the Mutual Holding Company Reorganization and Merger of Coastway Community Bank, Coastway Bancorp, MHC, Coastway Bancorp, Inc., and Coastway Interim Bank (the "Plan of Reorganization") providing for the reorganization of Coastway Community Bank into a one-bank mutual holding company structure in a transaction in which Coastway Community Bank will be merged with Coastway Interim Bank (the "Merger") with Coastway Interim Bank as the survivor as a wholly-owned direct subsidiary of Coastway Bancorp, Inc. and a wholly-owned indirect subsidiary of the MHC (the "Reorganization"), upon the terms and subject to the conditions set forth in the Plan of Reorganization

submitted to and discussed at this meeting, with such changes and modifications therein not inconsistent with the general tenor of said document as shall be agreed upon by the President of the MHC, any said agreement to be conclusively evidenced by the execution of the Plan of Reorganization by the President of the MHC.

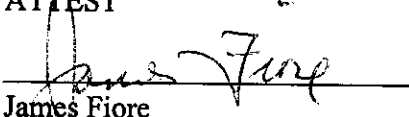
VOTED: That the officers of the MHC are hereby severally authorized and directed, to prepare all required requests for regulatory approval and regulatory notices with respect to the Reorganization and the Merger, including without limitation an application for approval to become a bank holding company and any and all other applications and filings that may be required by the Board of Governors of the Federal Reserve System, the Rhode Island Department of Business Regulation, the Federal Deposit Insurance Corporation or applicable law, in order to consummate and give full effect to the Plan of Reorganization.

VOTED: That the President and other Officers of the MHC are hereby authorized and directed to take such other actions and to execute such other documents as may be necessary in order to carry out the foregoing resolutions including, without limitation, all actions necessary to form and capitalize the MHC, Coastway Bancorp, Inc. and Coastway Interim Bank, respectively.

There being no further business, the meeting was thereupon adjourned.

A true copy.

ATTEST



James Fiore
Secretary