



#136

February 17, 2009

Office of the Special Inspector General
Troubled Asset Relief Program
1500 Pennsylvania Avenue, N.W. Suite 1064
Washington, D.C. 20220

Attention: Mr. Neil M. Barofsky
Special Inspector General

Dear Mr. Barofsky:

We have received your letter of February 6, 2009 requesting information about the Bank's use of TARP funds. Independence Bank requested participation in the TARP program in order to fund loans that would not have been possible without the TARP monies.

We received \$1,065,000 on January 9, 2009. Those funds were used to close an \$11.6 million dollar loan on January 30th and we expect that this loan will be fully disbursed by the end of March. I am including copies of the loan's Commitment Letter and Term Sheet for your review.

No changes were required for our executive compensation plan per the Department of Treasury guidelines.

If you have any additional questions, or require more information, please contact me at

(b) (6)

Sincerely,

Heather L. Marshall
Vice President of Finance

P.S. If there is any way possible to increase the amount of TARP funds, we promise to put them to good use.

I certify the accuracy of all statements, representations, and supporting information provided, subject to the requirements and penalties set forth in Title 18, United States Code, Section 1001.

Robert A. Catanzaro, President



U.S. Small Business Administration
AUTHORIZATION
(SBA 7(A) GUARANTEED LOAN)

SBA Loan #	b(4), b(6)
SBA Loan Name	[REDACTED]
Approval Date	December 22, 2008

Lender:

Independence Bank
1370 South County Trail
East Greenwich, RI 02818

U. S. Small Business Administration (SBA):

Standard 7a Loan Guaranty Processing Center
6501 Sylvan Road, Suite 100
Citrus Heights, CA 95610-5017

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