

## **BNC Financial CEO Jay Forgotson calls for Legislation to Revitalize Community Banking at State Banking Committee Forum**

New Canaan, CT – April 12, 2010 - Merrill Jay Forgotson, CEO of The Bank of New Canaan, The Bank of Fairfield and the bank holding company, BNC Financial Group, was asked to address the State Banking Committee in Hartford on April 12th as part of an Informational Forum. The topic was Community Banking and its role in the stabilization and revitalization of the economy following the worst financial debacle since the Great Depression.

“I would hope the Legislature is emboldened to facilitate the creation of more de novo community banks to replace the ones we have lost,” stated Forgotson. “We are the Banks who kept our commercial loan window open when so many of the Money Center and regional banks were telling their best loyal commercial borrowers that ‘we’re not here for you any longer.’”

“Community banks make loans to small businesses because they know those loans allow small businesses to grow and create new employment opportunities in their community,” he continued. “We lend to our neighbors in the community and we know we will be repaid.”

BNC Financial Group grew significantly between 2008 and 2010, opening The Bank of Fairfield in 2008 and Stamford First Bank, a division of The Bank of New Canaan, in 2010, and creating 22 new jobs in the process.

Referencing a recent Business Week article entitled, “*Federal Rules Favor Too Big to Fail Banks*,” Forgotson pointed out that “new federal rules and regulations which were designed to ensure the elimination of too-big-to-fail banks have been perverted in a manner which has seen the top ten of them grow from 68% of all bank assets to 75% of those assets from 2005-2010”. Asked where this growth came from, Forgotson added, “The conclusion is simple: Community Banks.”

In closing, Forgotson quoted from a recent book by Louis Hernandez, Jr. entitled, “*Too Small to Fail*” citing “Now is the perfect time for leaders of these community-based institutions to seize the day and lead the financial services industry back to the center of economic vitality and drive global economic growth, one community at a time”. Forgotson told the Committee, “I believe the banking industry and the legislature must work together to ensure that Community Banks do not disappear in Connecticut. On the contrary, we must find a way to revitalize the business of Community Banking in this state.”