

SI Financial Group, Inc.
Form S-4/A
May 24, 2013
Table of Contents

As filed with the Securities and Exchange Commission on May 24, 2013.

Registration No. 333-188016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

PRE-EFFECTIVE AMENDMENT NO. 1 TO
FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SI FINANCIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

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Maryland (State or other jurisdiction of incorporation or organization)	6035 (Primary Standard Industrial Classification Code Number) 803 Main Street	80-0643149 (I.R.S. Employer Identification Number)
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Willimantic, Connecticut 06226

(860) 423-4581

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

Rheo A. Brouillard

President and Chief Executive Officer

803 Main Street

Willimantic, Connecticut 06226

(860) 423-4581

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

Copies to:

Scott A. Brown, Esq.

Victor L. Cangelosi, Esq.

Kilpatrick Townsend & Stockton LLP

607 14th Street, NW, Suite 900

Washington, DC 20005

(202) 508-5800

Facsimile: (202) 204-5600

Lawrence M.F. Spaccasi, Esq.

Luse Gorman Pomerenk & Schick, P.C.

5335 Wisconsin Avenue NW, Suite 780

Washington, DC 20015

(202) 274-2000

Facsimile: (202) 362-2902

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement and upon consummation of the merger described in the enclosed proxy statement/prospectus.

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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. "

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) 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. "

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 Exchange Act. (Check one):

Large accelerated filer "

Accelerated filer

Non-accelerated filer "

Smaller reporting company "

If applicable, place an 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) "

The registrant hereby 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 which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

Newport Bancorp, Inc. and SI Financial Group, Inc. have entered into an agreement and plan of merger under which Newport Bancorp will merge into SI Financial with SI Financial as the surviving entity. This transaction is referred to in this document as the merger. Newport Federal Savings Bank, the subsidiary of Newport Bancorp, and Savings Institute Bank and Trust Company, the subsidiary of SI Financial, have entered into a plan of bank merger under which Newport Federal will merge into Savings Institute, with Savings Institute as the surviving entity. This transaction is referred to in this document as the bank merger.

If the merger is completed, each share of Newport Bancorp common stock will be converted into the right to receive either \$17.55 in cash or 1.5129 shares of SI Financial common stock. Based on the number of shares of Newport Bancorp outstanding on [Record Date], SI Financial expects to issue approximately 2,572,000 shares of SI Financial common stock.

You will be able to elect to receive cash, SI Financial common stock, or a combination of cash and SI Financial common stock for your shares of Newport Bancorp common stock. Regardless of your choice, however, elections will be limited by the requirement that 50% of the total shares of Newport Bancorp common stock is exchanged for SI Financial common stock and 50% is exchanged for cash. Therefore, all allocations of SI Financial common stock and cash that you receive will depend on the elections of other Newport Bancorp shareholders. The federal income tax consequences of the merger to you will depend on whether you receive cash, stock or a combination of cash and stock in exchange for your shares of Newport Bancorp common stock.

The common stock of SI Financial is listed on The Nasdaq Global Select Market under the symbol SIFI. The closing price of SI Financial common stock on March 5, 2013, the day the agreement and plan of merger was signed, was \$11.58, which, based on the 1.5129 exchange ratio, represented a value of \$17.52 per share of Newport Bancorp common stock. The closing price of SI Financial common stock on [Redacted], 2013, the most recent practicable trading day before the date of this document, was \$ [Redacted], which represented a value of \$ [Redacted] per share of Newport Bancorp common stock based on the exchange ratio. The market prices for both Newport Bancorp common stock and SI Financial common stock will fluctuate before the merger. We urge you to obtain current market quotations for both the Newport Bancorp common stock and SI Financial common stock.

We cannot complete the merger unless we obtain all applicable shareholder and regulatory approvals.

The places, dates and times of the shareholders meetings are as follows:

For SI Financial shareholders:

[SI Meeting Place]
[SI Meeting Address]
Willimantic, Connecticut
[Meeting Date]
: .m., local time

For Newport Bancorp shareholders:

[NBI Meeting Place]
[NBI Meeting Address]
Newport, Rhode Island
[Meeting Date]
: .m., local time

The board of directors of each of SI Financial and Newport Bancorp has unanimously determined that the merger is in the best interests of its respective shareholders and recommends that its respective shareholders vote FOR the proposal to approve and adopt the agreement and plan of merger.

Table of Contents

This document contains information that you should consider in evaluating the proposed merger. **In particular, you should carefully read the section captioned Risk Factors beginning on page 13 for a discussion of certain risk factors relating to the merger.**

We look forward to seeing you at the shareholder meetings and we appreciate your continued support.

Rheo A. Brouillard
President and Chief Executive Officer
SI Financial Group, Inc.

Kevin M. McCarthy
President and Chief Executive Officer
Newport Bancorp, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or completeness of this proxy statement/prospectus. Any representation to the contrary is a criminal offense. The securities to be issued in connection with the merger are not savings or deposit accounts or other obligations of any bank or nonbank subsidiary of any of the parties, and they are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Proxy statement/prospectus dated [Proxy Date]

and first mailed to shareholders of SI Financial and Newport Bancorp

on or about [Mail Date].

Table of Contents

This document incorporates important business and financial information about SI Financial from documents filed with the U.S. Securities and Exchange Commission or SEC that have not been included in or delivered with this document. You may read and copy these documents at the SEC's public reference facilities. Please call the SEC at 1-800-SEC-0330 for information about these facilities. This information is also available at the Internet site the SEC maintains at <http://www.sec.gov>. See *Where You Can Find More Information* on page .

You also may request copies of these documents from SI Financial. SI Financial will provide you with copies of these documents, without charge, upon written or oral request to:

SI Financial Group, Inc.

803 Main Street

Willimantic, Connecticut 06226

Attention: Diane Phillips

Telephone: (860) 456-6514

If you are a SI Financial or Newport Bancorp shareholder and would like to request documents from SI Financial, please do so by , 2013 to receive them before the shareholder meetings.

Table of Contents

SI FINANCIAL GROUP, INC.

803 Main Street

Willimantic, Connecticut 06226

Notice of Annual Meeting of Shareholders to be held [Meeting Date]

To the Shareholders of SI Financial:

The annual meeting of shareholders of SI Financial Group, Inc. will be held at : .m., local time, on [Meeting Date] at the , Willimantic, Connecticut. Any adjournments or postponements of the annual meeting will be held at the same location.

The purpose of the annual meeting is to:

1. Consider and vote upon a proposal to approve and adopt the agreement and plan of merger, dated as of March 5, 2013, by and between SI Financial Group, Inc. and Newport Bancorp, Inc. pursuant to which Newport Bancorp will merge with and into SI Financial. A copy of the agreement and plan of merger is included as Annex A to the accompanying proxy statement/prospectus;
2. Consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the annual meeting to approve the agreement and plan of merger;
3. Elect two directors for a term of three years or until their respective successors are elected and qualified;
4. Ratify the appointment of Wolf & Company, P.C. as independent auditors for SI Financial for the fiscal year ending December 31, 2013; and
5. Vote on a non-binding advisory resolution approving the compensation payable to the named executive offices of SI Financial;
6. Transact such other business as may be properly presented at the annual meeting and any adjournments or postponements of the special meeting.

The enclosed document describes the proposed merger in detail. We urge you to read these materials carefully. The enclosed document forms a part of this notice.

The board of directors of SI Financial unanimously recommends that SI Financial shareholders vote FOR each of the proposals and FOR each of the director nominees.

Shareholders of record as of the close of business on [Record Date] are entitled to notice of, and to vote at, the annual meeting and any adjournments or postponements of the annual meeting.

Your vote is very important. Your proxy is being solicited by the SI Financial board of directors. For the proposed merger to be consummated, the proposal to approve the agreement and plan of merger must be approved by the affirmative vote of holders of a majority of the outstanding shares of SI Financial common stock entitled to vote. Whether or not you plan to attend the annual meeting in person, we urge you to complete and

Table of Contents

mail the enclosed proxy card, in the accompanying envelope, which requires no postage if mailed in the United States. You may revoke your proxy at any time before the special meeting. If you attend the special meeting and vote in person, your proxy vote will not be used. Attendance at the meeting, however, will not by itself revoke a proxy. If you are the beneficial owner of shares held in street name through a broker, bank or other nominee you should instruct your broker, bank or other nominee how to vote on your behalf, or if you plan to attend the special meeting and wish to vote in person, you should bring a signed proxy from your broker, bank or nominee confirming your right to vote the shares.

If you have any questions or need assistance voting your shares, please contact our proxy solicitor, AST Phoenix Advisors, toll free at (877) 478-5038.

By Order of the Board of Directors

Laurie L. Gervais
Corporate Secretary

Willimantic, Connecticut

[Mail Date]

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be held on [Meeting Date]: This proxy statement/prospectus and our 2012 Annual Report on Form 10-K are available at <http://www.cfpproxy.com/6954>.

Table of Contents

NEWPORT BANCORP, INC.

100 Bellevue Avenue

Newport, Rhode Island 02840

Notice of Annual Meeting of Shareholders to be held [Meeting Date]

To the shareholders of Newport Bancorp:

The annual meeting of shareholders of Newport Bancorp, Inc. will be held at : .m., local time, on [Meeting Date] at the [NBI Meeting Place], [NBI Meeting Address], Newport, Rhode Island. Any adjournments or postponements of the annual meeting will be held at the same location.

The purpose of the annual meeting is to:

1. Consider and vote upon a proposal to approve and adopt the agreement and plan of merger, dated as of March 5, 2013, by and between SI Financial Group, Inc. and Newport Bancorp, Inc. pursuant to which Newport Bancorp will merge with and into SI Financial. A copy of the agreement and plan of merger is included as Annex A to the accompanying proxy statement/prospectus;
2. Consider and vote upon a proposal to adjourn the annual meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the time of the meeting to approve the agreement and plan of merger;
3. Vote on a non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp in connection with the merger;
4. Elect two directors (the nominees to be elected at the annual meeting will serve until the consummation of the merger, or if the merger is not consummated, for a term of three years and until their respective successors are elected and qualified);
5. Ratify the appointment of Wolf & Company, P.C. as independent auditors for Newport Bancorp for the fiscal year ending December 31, 2013;
6. Vote on a non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp;
7. Vote on the frequency of the advisory vote of the compensation payable to the named executive officers of Newport Bancorp; and
8. Transact such other business as may be properly presented at the annual meeting and any adjournments or postponements of the special meeting.

The enclosed document describes the agreement and plan of merger and the proposed merger in detail. We urge you to read these materials carefully. The enclosed document forms a part of this notice.

The board of directors of Newport Bancorp unanimously recommends that Newport Bancorp shareholders vote FOR each of the director nominees, FOR holding a non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp every year, and FOR each of the other proposals listed.

Table of Contents

Shareholders of record as of the close of business on [Record Date] are entitled to notice of, and to vote at, the annual meeting and any adjournments or postponements of the annual meeting.

Your vote is very important. Your proxy is being solicited by the Newport Bancorp board of directors. For the proposed merger to be consummated, the proposal to approve the agreement and plan of merger must be approved by the affirmative vote of holders of a majority of the outstanding shares of Newport Bancorp common stock entitled to vote. Whether or not you plan to attend the annual meeting in person, we urge you to complete and mail the enclosed proxy card, in the accompanying envelope, which requires no postage if mailed in the United States. You may revoke your proxy at any time before the annual meeting. If you attend the annual meeting and vote in person, your proxy vote will not be used. Attendance at the meeting, however, will not by itself revoke a proxy. If you are the beneficial owner of shares held in street name through a broker, bank or other nominee you should instruct your broker, bank or other nominee how to vote on your behalf, or if you plan to attend the annual meeting and wish to vote in person, you should bring a signed proxy from your broker, bank or other nominee confirming your right to vote the shares.

If you have any questions or need assistance voting your shares, please contact our proxy solicitor, Regan & Associates, at (212) 587-3005.

By Order of the Board of Directors

Judy Tucker
Corporate Secretary

Newport, Rhode Island

[Mail Date]

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be held on [Meeting Date]: This proxy statement/prospectus and our 2012 Annual Report on Form 10-K are available at <http://www.cfpproxy.com/6028>.

Table of Contents

ABOUT THIS DOCUMENT

This document, which forms part of a registration statement on Form S-4 filed with the Securities and Exchange Commission by SI Financial, constitutes a prospectus of SI Financial under the Securities Act of 1933, as amended, which we refer to in this document as the Securities Act, with respect to the shares of SI Financial common stock to be issued to Newport Bancorp's shareholders, as required by the agreement and plan of merger. This document also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, which we refer to in this document as the Exchange Act, and a notice of meeting with respect to the annual meeting of shareholders of SI Financial and the annual meeting of shareholders of Newport Bancorp.

You should rely only on the information contained in this document. No one has been authorized to provide you with information that is different from the information contained in this document. This document is dated [Proxy Date]. 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 either SI Financial shareholders or Newport Bancorp shareholders nor the issuance by SI Financial of its common stock in connection with the merger will create any implication to the contrary.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this document regarding SI Financial has been provided by SI Financial and information contained in this document regarding Newport Bancorp has been provided by Newport Bancorp.

Table of Contents**TABLE OF CONTENTS**

	PAGE
<u><i>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SHAREHOLDER MEETINGS</i></u>	1
<u><i>SUMMARY</i></u>	6
<u>The Companies</u>	6
<u>Annual Meeting of SI Financial Shareholders: Required Vote</u>	6
<u>Annual Meeting of Newport Bancorp Shareholders: Required Vote</u>	7
<u>The Merger and the Agreement and Plan of Merger</u>	7
<u>What Newport Bancorp Shareholders Will Receive in the Merger</u>	7
<u>Comparative Market Prices</u>	8
<u>Recommendation of SI Financial Board of Directors</u>	8
<u>SI Financial's Financial Advisors Believe the Merger Consideration is Fair to SI Financial</u>	8
<u>Recommendation of Newport Bancorp Board of Directors</u>	8
<u>Newport Bancorp's Financial Advisor Believes the Merger Consideration is Fair to Shareholders</u>	9
<u>Regulatory Approvals</u>	9
<u>Conditions to the Merger</u>	9
<u>Termination</u>	9
<u>Termination Fee</u>	10
<u>Interests of Certain Persons in the Merger that are Different from Yours</u>	10
<u>Accounting Treatment of the Merger</u>	11
<u>Certain Differences in Shareholder Rights</u>	12
<u>Tax Consequences of the Merger</u>	12
<u><i>RISK FACTORS</i></u>	13
<u><i>CAUTION ABOUT FORWARD-LOOKING STATEMENTS</i></u>	16
<u><i>SELECTED HISTORICAL FINANCIAL INFORMATION</i></u>	17
<u>Selected Historical Financial Data of SI Financial</u>	17
<u>Selected Historical Financial Data of Newport Bancorp</u>	18
<u><i>SUMMARY SELECTED PRO FORMA COMBINED DATA</i></u>	19
<u><i>COMPARATIVE PER SHARE DATA</i></u>	20
<u><i>MARKET PRICE AND DIVIDEND INFORMATION</i></u>	21
<u><i>ANNUAL MEETING OF SI FINANCIAL SHAREHOLDERS</i></u>	22
<u>Date, Time and Place of Meeting</u>	22
<u>Purpose of the Meeting</u>	22
<u>Who Can Vote at the Meeting</u>	22
<u>Quorum: Vote Required</u>	22
<u>Shares Held by SI Financial Officers and Directors and by Newport Bancorp</u>	23
<u>Voting and Revocability of Proxies</u>	23
<u>Solicitation of Proxies</u>	25
<u>Proposal No. 1 Approval and Adoption of the Agreement and Plan of Merger</u>	25
<u>Proposal No. 2 Adjournment of the Special Meeting</u>	25
<u>Proposal No. 3 Election of Directors</u>	25
<u>Proposal No. 4 Ratification of Independent Registered Public Accounting Firm</u>	27
<u>Proposal No. 5 Non-Binding Advisory Vote to Approve the Compensation Payable to the Named Executive Officers of SI Financial</u>	30
<u><i>ANNUAL MEETING OF NEWPORT BANCORP SHAREHOLDERS</i></u>	30
<u>Date, Time and Place of Meeting</u>	30
<u>Purpose of the Meeting</u>	30
<u>Who Can Vote at the Meeting</u>	31
<u>Quorum: Vote Required</u>	31
<u>Shares Held by Newport Bancorp Officers and Directors and by SI Financial</u>	32
<u>Voting and Revocability of Proxies</u>	32
<u>Solicitation of Proxies</u>	33
<u>Proposal No. 1 Approval and Adoption of the Agreement and Plan of Merger</u>	34

Table of Contents

	PAGE
<u>Proposal No. 2 Adjournment of the Special Meeting</u>	34
<u>Proposal No. 3 Non-Binding Advisory Vote to Approve the Compensation Payable to the Named Executive Officers of Newport Bancorp in Connection with the Merger</u>	34
<u>Proposal No. 4 Election of Directors</u>	35
<u>Proposal No. 5 Ratification of Independent Registered Public Accounting Firm</u>	37
<u>Proposal No. 6 Non-Binding Advisory Vote to Approve the Compensation Payable to the Named Executive Officers of Newport Bancorp</u>	39
<u>Proposal No. 7 Frequency of the Non-Binding Advisory Vote to Approve the Compensation Payable to the Named Executive Officers of Newport Bancorp</u>	40
<u>DESCRIPTION OF THE MERGER</u>	40
<u>General</u>	40
<u>Consideration to be Received in the Merger</u>	40
<u>Cash, Stock or Mixed Election</u>	41
<u>Background of and Newport Bancorp's Reasons for the Merger</u>	42
<u>Recommendation of Newport Bancorp's Board of Directors</u>	47
<u>Opinion of Newport Bancorp's Financial Advisor</u>	47
<u>SI Financial's Reasons for the Merger</u>	57
<u>Recommendation of SI Financial's Board of Directors</u>	58
<u>Opinions of SI Financial's Financial Advisors</u>	58
<u>Financial Forecasts</u>	75
<u>Newport Bancorp Stock Options and Restricted Stock Awards</u>	75
<u>Election Procedures; Surrender of Stock Certificates</u>	76
<u>Accounting Treatment</u>	77
<u>Tax Consequences of the Merger</u>	77
<u>Regulatory Matters Relating to the Merger</u>	80
<u>Interests of Certain Persons in the Merger</u>	81
<u>Employee Matters</u>	85
<u>Newport Federal Employee Stock Ownership Plan</u>	86
<u>Operations of Newport Federal After the Merger</u>	86
<u>Restrictions on Resale of Shares of SI Financial Common Stock</u>	86
<u>Time of Completion</u>	86
<u>Conditions to Completing the Merger</u>	87
<u>Conduct of Business Before the Merger</u>	87
<u>Covenants of Newport Bancorp and SI Financial</u>	91
<u>Representations and Warranties Made by SI Financial and Newport Bancorp and Newport Federal</u>	94
<u>Terminating the Agreement and Plan of Merger</u>	94
<u>Termination Fee</u>	95
<u>Expenses</u>	96
<u>Changing the Terms of Agreement and Plan of Merger</u>	96
<u>UNAUDITED COMBINED CONSOLIDATED PRO FORMA FINANCIAL DATA</u>	97
<u>DESCRIPTION OF SI FINANCIAL CAPITAL STOCK</u>	105
<u>COMPARISON OF RIGHTS OF SHAREHOLDERS</u>	106
<u>MANAGEMENT AND OPERATIONS AFTER THE MERGER</u>	111
<u>CORPORATE GOVERNANCE AND BOARD MATTERS OF SI FINANCIAL</u>	111
<u>COMPENSATION DISCUSSION AND ANALYSIS OF SI FINANCIAL</u>	116
<u>EXECUTIVE COMPENSATION OF SI FINANCIAL</u>	124
<u>COMPENSATION COMMITTEE REPORT OF SI FINANCIAL</u>	135
<u>OTHER INFORMATION RELATING TO DIRECTORS AND EXECUTIVE OFFICERS OF SI FINANCIAL</u>	135
<u>STOCK OWNERSHIP OF SI FINANCIAL</u>	137
<u>INFORMATION ABOUT NEWPORT BANCORP</u>	139
<u>CORPORATE GOVERNANCE OF NEWPORT BANCORP</u>	154

Table of Contents

	PAGE
<u>NOMINATING/CORPORATE GOVERNANCE COMMITTEE PROCEDURES OF NEWPORT BANCORP</u>	159
<u>OTHER INFORMATION RELATING TO DIRECTORS AND EXECUTIVE OFFICERS OF NEWPORT BANCORP</u>	161
<u>EXECUTIVE COMPENSATION OF NEWPORT BANCORP</u>	162
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF NEWPORT BANCORP</u>	166
<u>STOCK OWNERSHIP OF NEWPORT BANCORP</u>	192
<u>LEGAL MATTERS</u>	194
<u>EXPERTS</u>	194
<u>SHAREHOLDER PROPOSALS AND NOMINATIONS</u>	195
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	195
<u>SI FINANCIAL FILINGS</u>	196
<u>INDEX TO FINANCIAL STATEMENTS OF NEWPORT BANCORP</u>	F-1
<u>Annex A Agreement and Plan of Merger</u>	A-1
<u>Annex B Fairness Opinion of Keefe, Bruyette & Woods, a Stifel Company</u>	B-1
<u>Annex C Fairness Opinion of Loomis & Co., Inc.</u>	C-1
<u>Annex D Fairness Opinion of Sandler O'Neill & Partners, L.P.</u>	D-1

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SHAREHOLDER MEETINGS

Q: Why am I receiving this document?

A: You are receiving this document because you are either a shareholder of SI Financial as of [Record Date], the record date for the annual meeting of SI Financial, or a shareholder of Newport Bancorp as of [Record Date], the record date for the annual meeting of Newport Bancorp. This document is being used by the boards of directors of SI Financial and Newport Bancorp to solicit your proxy for use at the shareholder meetings. This document also serves as the prospectus for shares of SI Financial common stock to be issued in exchange for shares of Newport Bancorp common stock in the merger.

Q: What am I being asked to vote on? What is the proposed transaction?

A: You are being asked to vote on the approval of an agreement and plan of merger that provides for the acquisition of Newport Bancorp by SI Financial. You are also being asked to vote on a proposal to adjourn the shareholder meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the meeting to approve the agreement and plan of merger. SI Financial shareholders are also being asked to vote on a non-binding advisory resolution approving the compensation payable to the named executive officers of SI Financial, to elect two directors and to ratify the appointment of the independent auditors for the 2013 fiscal year. Newport Bancorp shareholders are also being asked to vote on a non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, to elect two directors, to ratify the appointment of the independent auditors for the 2013 fiscal year, to vote on a non-binding resolution approving the compensation payable to the named executive officers of Newport Bancorp (without regard to the merger) and to vote on the frequency of the non-binding advisory vote to approve the compensation payable to the named executive officers of Newport Bancorp.

Q: What vote does the SI Financial board of directors recommend?

A: The SI Financial board of directors has determined that the proposed merger is in the best interests of SI Financial shareholders, has unanimously approved the agreement and plan of merger and recommends that SI Financial shareholders vote FOR the approval and adoption of the agreement and plan of merger, FOR the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement and plan of merger, FOR the approval of the non-binding resolution approving the compensation payable to the named executive officers of SI Financial, FOR the election of two directors and FOR the ratification of the independent auditors for the 2013 fiscal year.

Q: What vote does the Newport Bancorp board of directors recommend?

A: The Newport Bancorp board of directors has determined that the proposed merger is in the best interests of Newport Bancorp shareholders, has unanimously approved the agreement and plan of merger and recommends that Newport Bancorp shareholders vote FOR the approval and adoption of the agreement and plan of merger, FOR the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement and plan of merger, FOR the approval of the non-binding resolution approving the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, FOR the election of two directors, FOR the ratification of the independent auditors for the 2013 fiscal year, FOR the non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp and to hold the non-binding advisory vote to approve the compensation payable to the named executive officers of Newport Bancorp every year.

Q: Why do Newport Bancorp and SI Financial want to merge?

A: Newport Bancorp believes that the proposed merger will provide Newport Bancorp shareholders with substantial benefits, and SI Financial believes that the merger will further its strategic growth plans. As a

Table of Contents

larger company, SI Financial can provide the capital and resources that Newport Bancorp needs to compete more effectively and to offer a broader array of products and services to better serve its banking customers. To review the reasons for the merger in more detail, see *Description of the Merger SI Financial's Reasons for the Merger* on page and *Description of the Merger Background of and Newport Bancorp's Reasons for the Merger* on page .

Q: What will Newport Bancorp shareholders be entitled to receive in the merger?

A: Under the agreement and plan of merger, each share of Newport Bancorp common stock will be converted into the right to receive either \$17.55 in cash or 1.5129 shares of SI Financial common stock.

You will be able to elect to receive cash, SI Financial common stock or a combination of cash and SI Financial common stock for your shares of Newport Bancorp common stock. Regardless of your choice, however, elections will be limited by the requirement that 50% of Newport Bancorp common stock is converted into SI Financial common stock and 50% is exchanged for cash. Therefore, the allocation of cash and SI Financial common stock that you will receive will depend on the elections of other Newport Bancorp shareholders. The allocation of the consideration payable to Newport Bancorp shareholders will not be known until the exchange agent tallies the results of the cash/stock elections made by Newport Bancorp's shareholders. If you do not make an election, the type of consideration you will receive will depend on the consideration elected by other Newport Bancorp shareholders.

Q: What will my dividends be after the merger?

A: SI Financial currently pays a quarterly dividend of \$0.03 per share. Although SI Financial has paid quarterly dividends on its common stock without interruption since 2010, there is no guarantee that SI Financial will continue to pay dividends on its common stock. All dividends on SI Financial common stock are declared at the discretion of the SI Financial board of directors.

Q: How do I elect to receive cash, stock or a combination of both for my Newport Bancorp stock?

A: A form for making an election will be sent to you separately on or about the date this proxy statement/prospectus is mailed. For your election to be effective, your properly completed election form, along with your Newport Bancorp stock certificates or an appropriate guarantee of delivery, must be sent to and received by the exchange agent for the merger, Registrar and Transfer Company, on or before 5:00 p.m., Eastern time, on [Election Date]. **Do not send your election form or stock certificates with your proxy card. Instead, use the separate envelope specifically provided for the election form and your stock certificates.** If you own shares of Newport Bancorp common stock in street name through a bank, broker or other nominee and you wish to make an election, you should seek instructions from the bank, broker or other nominee holding your shares. If you do not make a timely or proper election you will be allocated SI Financial common stock and/or cash depending on the elections made by other shareholders.

Q: How do I exchange my stock certificates?

A: If you make an election, you must return your Newport Bancorp stock certificates or an appropriate guarantee of delivery with your election form. Shortly after the merger, SI Financial's transfer agent will allocate cash and SI Financial common stock among Newport Bancorp shareholders, consistent with their elections and the allocation and proration procedures in the agreement and plan of merger. If you do not submit an election form, SI Financial's exchange agent will send you instructions on how and where to surrender your Newport Bancorp stock certificates after the merger is completed. **Please do not send your Newport Bancorp stock certificates with your proxy card.**

Table of Contents

Q: What are the tax consequences of the merger to me?

A: The tax consequence of the merger to you will depend on whether you receive only cash, only SI Financial common stock, or a combination of cash and SI Financial common stock in exchange for your shares of Newport Bancorp common stock. If you exchange your shares solely for SI Financial common stock, you should not recognize gain or loss except with respect to the cash you receive instead of any fractional share of SI Financial common stock. If you exchange your shares solely for cash, you should recognize gain or loss on the exchange. If you exchange your shares for a combination of SI Financial common stock and cash, you should recognize capital gain, but not any loss, on the exchange. Because the allocations of cash and SI Financial common stock that you receive will depend on the elections of other Newport Bancorp shareholders, you will not know the actual tax consequences of the merger to you until the allocations are completed.

You should read *Description of the Merger Tax Consequences of the Merger* beginning on page for a more complete discussion of the United States federal income tax consequences of the merger. Tax matters can be complicated and the tax consequences of the merger to you will depend on your particular tax situation. **You should consult your tax advisor to determine the tax consequences of the merger to you.**

Q: Are Newport Bancorp's shareholders entitled to appraisal rights?

A: No. Since the common stock of Newport Bancorp is traded on The Nasdaq Global Market, Maryland law does not provide for appraisal rights. Newport Bancorp is incorporated under Maryland law.

Q: When is the merger expected to be completed?

A: We will complete the merger as soon as possible. Before that happens, the agreement and plan of merger must be approved and adopted by SI Financial's shareholders and Newport Bancorp's shareholders and we must obtain the necessary regulatory approvals. Assuming holders of at least a majority of the outstanding shares of SI Financial common stock and of Newport Bancorp common stock both vote in favor of the agreement and plan of merger and we obtain the other necessary approvals, we expect to complete the merger in the third calendar quarter of 2013.

Q: Is completion of the merger subject to any conditions besides shareholder approval?

A: Yes. The transaction must receive the required regulatory approvals, and there are other customary closing conditions that must be satisfied. To review the conditions of the merger in more detail, see *Description of the Merger Conditions to Completing the Merger* on page .

Q: What vote is required to approve the agreement and plan of merger?

A: Holders of at least a majority of the outstanding shares of each of SI Financial common stock and Newport Bancorp common stock entitled to vote must vote in favor of the proposal to approve the agreement and plan of merger.

Q: What are the quorum requirements for the shareholder meetings?

A:

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The presence in person or by proxy of a majority of the votes entitled to be cast by SI Financial shareholders and by Newport Bancorp shareholders at their respective shareholder meetings will constitute a quorum.

Q: When and where is the SI Financial annual meeting?

A: The annual meeting of SI Financial shareholders is scheduled to take place at the [SI Meeting Place], [SI Meeting Address], Willimantic, Connecticut at : .m., local time, on [Meeting Date].

Table of Contents

Q: When and where is the Newport Bancorp annual meeting?

A: The annual meeting of Newport Bancorp shareholders is scheduled to take place at the [NBI Meeting Place], [NBI Meeting Address], Newport, Rhode Island at : .m., local time, on [Meeting Date].

Q: Who is entitled to vote at the shareholder meetings?

A: Holders of shares of SI Financial common stock at the close of business on [Record Date], which is the record date, are entitled to vote at the annual meeting. As of the record date, 10,111,757 shares of SI Financial common stock were outstanding and entitled to vote. Holders of shares of Newport Bancorp common stock at the close of business on [Record Date], which is the record date, are entitled to vote at the Newport Bancorp annual meeting. As of the record date, 3,544,722 shares of Newport Bancorp common stock were outstanding and entitled to vote.

Q: If I plan to attend the shareholder meeting in person, should I still return my proxy?

A: Yes. Whether or not you plan to attend the shareholder meeting, you should complete and return the enclosed proxy card. The failure of a shareholder to vote in person or by proxy will have the same effect as a vote AGAINST the agreement and plan of merger.

Q: What do I need to do now to vote my shares of common stock?

A: After you have carefully read and considered the information contained in this document, please complete, sign, date and mail your proxy card in the enclosed return envelope as soon as possible. This will enable your shares to be represented at the shareholder meeting. If you are a shareholder of record, you may also vote in person at the shareholder meeting. If you do not return a properly executed proxy card and do not vote at the shareholder meeting, this will have the same effect as a vote against the agreement and plan of merger. If you sign, date and send in your proxy card, but you do not indicate how you want to vote, your proxy will be voted in favor of approval and adoption of the agreement and plan of merger.

If you are the beneficial owner of shares held in street name through a broker, bank or other nominee, you should instruct your broker, bank or other nominee how to vote on your behalf. Please follow the voting instructions provided by your record holder to vote your shares. If your shares are held in street name and you want to vote in person at the shareholder meeting, please follow the instructions from your record holder for obtaining a legal proxy enabling you to vote at the meeting.

Q: How do I change my vote after I have submitted my proxy?

A: You may change your vote at any time before your proxy is voted at the meeting by revoking your proxy in any of the following ways: (1) filing with the Corporate Secretary a duly executed revocation of proxy, (2) submitting a new proxy card with a later date, or (3) voting in person at the meeting (your attendance at the meeting will not by itself revoke your proxy).

Q: If my shares are held in street name by my broker, will my broker automatically vote my shares for me?

A:

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No. Your broker will not be able to vote your shares of common stock on the proposal to approve and adopt the agreement and plan of merger or on the other proposals (except for the proposals to ratify the appointment of the independent auditors) unless you provide instructions on how to vote. Please instruct you broker how to vote your shares, following the directions that your broker provides. If you do not provide instructions to your broker on the proposal to approve and adopt the agreement and plan of merger, your shares will not be voted, and this will have the effect of voting **AGAINST** the agreement and plan of merger. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

Table of Contents

Q: What are the deadlines for voting?

A: You may: (1) vote by mail at any time before the meeting as long as your proxy is received before the time of the meeting or (2) if your shares are held in street name, you must vote your shares according to the voting instructions form by the deadline set by your broker or other nominee.

Q: Why am I being asked to cast a non-binding advisory vote to approve the compensation that Newport Bancorp's named executive officers will receive in connection with the merger?

A: The SEC adopted rules that require Newport Bancorp to seek a non-binding advisory vote with respect to certain golden parachute compensation that Newport Bancorp's named executive officers will receive in connection with the merger.

Q: What will happen if the shareholders do not approve the compensation that Newport Bancorp's named executive officers will receive in connection with the merger?

A: The vote with respect to the golden parachute compensation is an advisory vote and will not be binding on Newport Bancorp or SI Financial. Approval of the compensation that will be payable to Newport Bancorp's named executive officers is not a condition to completion of the merger. Therefore, if the merger is approved by the shareholders and subsequently completed, the compensation will still be paid to the Newport Bancorp named executive officers, whether or not shareholders approve the compensation at the meeting.

Q: Who can answer my other questions?

A: If you have more questions about the merger or how to submit your proxy, or if you need additional copies of this proxy statement/prospectus or the enclosed proxy form:

SI Financial

Shareholders should contact:

AST Phoenix Advisors
110 Wall Street 27th Floor
New York, New York 10015
(877) 478-5038
Banks and Brokers: (212) 493-3910

Newport Bancorp

Shareholders should contact:

Regan & Associates
505 Eight Street Suite 800
New York, New York 10018
(212) 587-3005

Table of Contents

SUMMARY

This summary highlights selected information in this document and may not contain all of the information important to you. To understand the merger more fully, you should read this entire document carefully, including the documents attached to this proxy statement/prospectus.

The Companies

SI Financial Group, Inc.

803 Main Street

Willimantic, Connecticut 06226

(860) 423-4581

SI Financial, a Maryland corporation, is a savings and loan holding company headquartered in Willimantic, Connecticut. SI Financial's common stock is listed on The Nasdaq Global Select Market under the symbol SIFI. SI Financial conducts its operations primarily through its wholly owned subsidiary, Savings Institute, a federally chartered bank founded in 1842. Savings Institute is independent, community oriented, and conducts a full-service banking business through 20 offices. At March 31, 2013, SI Financial had total assets of \$957.2 million, total deposits of \$713.2 million and shareholders' equity of \$125.7 million.

Newport Bancorp, Inc.

100 Bellevue Avenue

Newport, Rhode Island 02840

(401) 847-5500

Newport Bancorp, a Maryland corporation, is a savings and loan holding company headquartered in Newport, Rhode Island. Newport Bancorp's common stock is listed on The Nasdaq Global Market under the symbol NFSB. Newport Bancorp's sole business is operating its subsidiary, Newport Federal, a federally chartered bank originally founded as a Rhode Island institution in 1888. Newport Federal operates as a community-oriented financial institution offering financial services to consumers and businesses through its six full-service banking offices. As of March 31, 2013, Newport Bancorp had total assets of \$430.6 million, total deposits of \$281.5 million and total shareholders' equity of \$54.0 million.

Annual Meeting of SI Financial Shareholders; Required Vote (page)

An annual meeting of SI Financial shareholders is scheduled to be held at the [SI Meeting Place], [SI Meeting Address], Willimantic, Connecticut at :00 a.m., local time, on [Meeting Date]. At the annual meeting, you will be asked to vote on the approval of an agreement and plan of merger that provides for the acquisition of Newport Bancorp by SI Financial. You will also be asked to vote on a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the special meeting to approve the agreement and plan of merger, to approve a non-binding advisory resolution approving the compensation payable to the named executive officers of SI Financial, to elect two directors for a term of three years or until their respective successors are elected and qualified, and to ratify the appointment of the independent auditors for the 2013 fiscal year.

Only SI Financial shareholders of record as of the close of business on [Record Date] are entitled to notice of, and to vote at, the SI Financial annual meeting and any adjournments or postponements of the meeting.

Approval of the agreement and plan of merger requires the affirmative vote of holders of a majority of the outstanding shares of SI Financial common stock entitled to vote. As of the record date, there were

Table of Contents

10,111,757 shares of SI Financial common stock outstanding. The directors and executive officers of SI Financial, and their affiliates, as a group, beneficially owned 429,370 shares of SI Financial common stock, representing 4.2% of the outstanding shares of SI Financial common stock as of the record date.

Annual Meeting of Newport Bancorp Shareholders; Required Vote (page)

An annual meeting of Newport Bancorp shareholders is scheduled to be held at the [NBI Meeting Place], [NBI Meeting Address], Newport, Rhode Island at : .m., local time, on [Meeting Date]. At the annual meeting, you will be asked to vote on the approval of an agreement and plan of merger that provides for the acquisition of Newport Bancorp by SI Financial. You will also be asked to vote on a proposal to adjourn the annual meeting to a later date or dates, if necessary, to permit further solicitation of proxies if there are not sufficient votes at the annual meeting to approve the agreement and plan of merger, to approve a non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, to elect two directors (the nominees to be elected at the annual meeting will serve until the consummation of the merger, or if the merger is not consummated, for a term of three years or until their respective successors are elected and qualified), to ratify the appointment of the independent auditors for the 2013 fiscal year, to approve a non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp, and to vote on the frequency of the advisory vote on the compensation payable to the named executive officers of Newport Bancorp.

Only Newport Bancorp shareholders of record as of the close of business on [Record Date] are entitled to notice of, and to vote at, the Newport Bancorp annual meeting and any adjournments or postponements of the meeting.

Approval of the agreement and plan of merger requires the affirmative vote of holders of a majority of the outstanding shares of Newport Bancorp common stock entitled to vote. As of the record date, there were 3,544,722 shares of Newport Bancorp common stock outstanding. The directors and executive officers of Newport Bancorp, and their affiliates, as a group, beneficially owned 326,851 shares of Newport Bancorp common stock, representing 9.2% of the outstanding shares of Newport Bancorp common stock as of the record date. All of the directors of Newport Bancorp, who collectively own 251,420 shares of Newport Bancorp common stock, which represents 7.1% of the outstanding shares of Newport Bancorp as of the record date, have agreed to vote their shares in favor of the merger at the annual meeting.

The Merger and the Agreement and Plan of Merger (page)

SI Financial's acquisition of Newport Bancorp is governed by an agreement and plan of merger. The agreement and plan of merger provides that, if all of the conditions are satisfied or waived, Newport Bancorp will be merged into SI Financial, with SI Financial as the surviving entity. **We encourage you to read the agreement and plan of merger, which is included as Annex A to this document.**

What Newport Bancorp Shareholders Will Receive in the Merger (page)

If the merger is completed, each share of Newport Bancorp common stock will be converted into the right to receive either \$17.55 in cash or 1.5129 shares of SI Financial common stock.

Each holder of Newport Bancorp common stock will be able to elect to receive cash, SI Financial common stock or a combination of cash and Newport Bancorp common stock for their shares of Newport Bancorp common stock. Regardless of your choice, however, elections will be limited by the requirement that 50% of the shares of Newport Bancorp common stock is exchanged for SI Financial common stock and 50% is exchanged for cash. Therefore, the allocation of SI Financial common stock and cash that you receive will depend on the elections of other Newport Bancorp shareholders.

Table of Contents**Comparative Market Prices**

The following table shows the closing price per share of SI Financial common stock, the closing price per share of Newport Bancorp common stock and the equivalent price per share of Newport Bancorp common stock, giving effect to the merger, on March 5, 2013, which is the last day on which shares of each of SI Financial common stock and Newport Bancorp common stock traded preceding the public announcement of the proposed merger, and on _____, 2013, the most recent practicable date before the mailing of this document. The equivalent price per share of Newport Bancorp common stock is computed by multiplying the price of a share of SI Financial common stock by the 1.5129 exchange ratio and does not include the value of any cash received by a Newport Bancorp shareholder. Shareholders who elect to receive, or are allocated, cash consideration in the merger will receive \$17.55 in cash without interest. See *Description of the Merger Consideration to be Received in the Merger* on page _____.

	SI Financial Common Stock	Newport Bancorp Common Stock	Equivalent Price Per Share of Newport Bancorp Common Stock
March 5, 2013	\$ 11.58	\$ 15.77	\$ 17.52
_____, 2013	\$ _____	\$ _____	\$ _____

Recommendation of SI Financial Board of Directors (page _____)

The SI Financial board of directors has unanimously approved the agreement and plan of merger. The SI Financial board believes that the agreement and plan of merger, including the plan of bank merger under which Newport Federal will merge with and into Savings Institute, is fair to, and in the best interests of, SI Financial and its shareholders, and therefore **unanimously recommends that SI Financial shareholders vote FOR the proposal to approve and adopt the agreement and plan of merger.** In its reaching this decision, SI Financial's board of directors considered many factors, which are described in the section captioned *Description of the Merger SI Financial's Reasons for the Merger* beginning on page _____.

SI Financial's Financial Advisors Believe the Merger Consideration is Fair to SI Financial (page _____)

In deciding to approve the merger, SI Financial's board of directors considered the opinions of Keefe, Bruyette & Woods, a Stifel Company (KBW), and Loomis & Co., Inc. KBW and Loomis & Co. each delivered its opinion dated March 5, 2013 that the merger consideration to be paid by SI Financial to holders of Newport Bancorp common stock in connection with the merger pursuant to merger agreement is fair to SI Financial from a financial point of view. Copies of these opinions are included as Annexes B and C to the document. You should read the opinions carefully to understand the procedures followed, assumptions made, matters considered and limitations of the review conducted by KBW and Loomis & Co. SI Financial has agreed to pay KBW fees totaling approximately \$547,500, for its services in connection with the merger. A substantial portion of their fees is contingent on the closing of the merger. SI Financial has paid Loomis & Co. approximately \$97,500 for its fairness opinion and fair value analysis of Newport Bancorp's assets and liabilities, none of which is contingent on the closing of the merger.

Recommendation of Newport Bancorp Board of Directors (page _____)

The Newport Bancorp board of directors has unanimously approved the agreement and plan of merger. The Newport Bancorp board believes that the agreement and plan of merger, including the plan of bank merger pursuant to which Newport Federal will merge with and into Savings Institute, is fair to, and in the best interests of, Newport Bancorp and its shareholders, and therefore **unanimously recommends that Newport Bancorp shareholders vote FOR the proposal to approve and adopt the agreement and plan of merger.** In its reaching this decision, Newport Bancorp's board of directors considered many factors, which are described in the section captioned *Description of the Merger Background of and Newport Bancorp's Reasons for the Merger* beginning on page _____.

Table of Contents

Newport Bancorp's Financial Advisor Believes the Merger Consideration is Fair to Shareholders (page)

In deciding to approve the merger, Newport Bancorp's board of directors considered the opinion of Sandler O'Neill & Partners, L.P. Sandler O'Neill, which served as financial advisor to Newport Bancorp's board of directors, delivered its opinion dated March 5, 2013 that the merger consideration is fair to the holders of Newport Bancorp common stock from a financial point of view. A copy of this opinion is included as Annex D to the document. You should read the opinion carefully to understand the procedures followed, assumptions made, matters considered and limitations of the review conducted by Sandler O'Neill. Newport Bancorp has agreed to pay Sandler O'Neill fees totaling approximately \$700,000 for its services in connection with the merger.

Regulatory Approvals (page)

Under the terms of the agreement and plan of merger, the bank merger cannot be completed unless it is first approved by the Office of the Controller of the Currency. SI Financial must also receive the prior approval of, or waiver from, the Board of Governors of the Federal Reserve System. As of the date of this document, SI Financial has not received any approvals or waivers from these regulators. While SI Financial does not know of any reason why it would not be able to obtain approval in a timely manner, SI Financial cannot be certain when or if it will receive regulatory approval.

Conditions to the Merger (page)

The completion of the merger is subject to the fulfillment of a number of conditions, including:

approval of the agreement and plan of merger by at least a majority of the outstanding shares of SI Financial and of Newport Bancorp common stock entitled to vote;

approval of the transaction by the appropriate regulatory authorities;

receipt by each party of an opinion from their respective legal counsel 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 Internal Revenue Code;

the accuracy of representations and warranties made on the date of the agreement and plan of merger; and

such other conditions customary to merger transactions.

Termination (page)

The agreement and plan of merger may be terminated by mutual written consent of SI Financial and Newport Bancorp at any time before the completion of the merger. Additionally, subject to conditions and circumstances described in the agreement and plan of merger, either SI Financial or Newport Bancorp may terminate the agreement and plan of merger if, among other things, any of the following occur:

the merger has not been consummated by December 31, 2013;

SI Financial shareholders or Newport Bancorp shareholders do not approve the agreement and plan of merger;

a required regulatory approval is denied or a governmental authority enjoins or prohibits the merger; or

any representation or warranty of the other party contained in the agreement and plan of merger has become untrue to the level of materiality required by the agreement and plan of merger, or there is a breach by the other party of any covenant or agreement contained in the agreement and plan of merger, either which cannot be cured, or has not been cured within 30 days after the giving of written notice to such party of such breach.

Table of Contents

SI Financial may terminate the agreement and plan of merger if Newport Bancorp materially breaches its agreements regarding the solicitation of other acquisition proposals and the submission of the agreement and plan of merger to shareholders, or if the board of directors of Newport Bancorp does not recommend approval of the merger in the proxy statement/prospectus or withdraws or revises its recommendation in a manner adverse to SI Financial.

Newport Bancorp may terminate the agreement and plan of merger to accept an agreement for a superior proposal to be acquired by a third party but only if the failure to accept such third party proposal would constitute a breach of its fiduciary duties. SI Financial would have the right to adjust the terms of the merger to make the merger at least as favorable as the superior proposal.

Newport Bancorp may also terminate the agreement and plan of merger if SI Financial's stock price declines by a certain percentage and also declines by a certain percentage relative to the Nasdaq Bank Index. If Newport Bancorp elects to terminate the agreement and plan of merger under this provision, SI Financial may elect to adjust the exchange ratio to an amount that would not make termination under this event possible, in which case no termination would occur.

Termination Fee (page)

Under certain circumstances described in the agreement and plan of merger involving a competing offer, Newport Bancorp will be required to pay SI Financial a termination fee of \$2,450,000 in connection with the termination of the agreement and plan of merger.

Interests of Certain Persons in the Merger that are Different from Yours (page)

In considering the recommendation of the board of directors of Newport Bancorp to adopt the merger agreement, you should be aware that officers and directors of Newport Bancorp have employment and other compensation agreements or economic interests that give them interests in the merger that are different from, or in addition to, their interests as Newport Bancorp shareholders. These interests and agreements include:

Employment agreements for Kevin M. McCarthy, President and Chief Executive Officer of Newport Bancorp and Newport Federal, and Nino Moscardi, Executive Vice President and Chief Operating Officer of Newport Bancorp and Newport Federal, that provide for cash severance payments and continued life insurance and non-taxable medical and dental benefits if the executive's employment is voluntarily terminated for good reason or involuntarily terminated without cause within two years following a change in control, which will be paid in accordance with a negotiated settlement agreement entered into between each of Messrs. McCarthy and Moscardi and SI Financial, Newport Bancorp and Newport Federal, which settles the amounts payable under the employment agreements, the supplemental executive retirement plan mentioned below, and with respect to Mr. Moscardi, the portion of his supplemental executive retirement agreement the vesting of which is accelerated due to his termination of employment as a result of the change in control. Under the settlement agreements, the maximum cash payment to Messrs. McCarthy and Moscardi is \$1,034,659 and \$679,429, respectively;

A supplemental executive retirement plan for the benefit of each of Messrs. McCarthy and Moscardi that provides for a lump sum cash payment in connection with a change in control (no payments will be made under the supplemental executive retirement plan as the result of the settlement agreements;

Accelerated vesting of Mr. Moscardi's normal retirement benefit of \$25,000 payable for 15 years under his supplemental executive retirement agreement (Mr. Moscardi would only be entitled to an annual benefit of \$22,800 if his employment is terminated in 2013, without regard to the change in control);

Savings Institute and SI Financial entered into consulting and noncompetition agreements with each of Messrs. McCarthy and Moscardi. The aggregate cash payments under these agreements are \$1,074,188 for Mr. McCarthy and \$715,500 for Mr. Moscardi;

Table of Contents

An employment agreement between Newport Federal and Ray D. Gilmore II, Executive Vice President and Chief Lending Officer of Newport Federal, and an employment agreement between Newport Bancorp and one other executive officer, that each provide for cash severance payments and continued life insurance and non-taxable medical and dental benefits if the executive's employment is voluntarily terminated for good reason or involuntarily terminated without cause within two years following a change in control (the maximum cash severance payments under these agreements are \$628,127 for Mr. Gilmore and \$541,561 for the other executive officer);

A change in control agreement between Newport Federal and an executive officer that provides for cash severance payments and continued life insurance and non-taxable medical and dental benefits if the individual's employment is voluntarily terminated for good reason or involuntarily terminated without cause within two years following a change in control (no additional benefit is payable under the change in control agreement to the executive officer who is also a party to an employment agreement under which he is entitled to a maximum cash severance of \$541,561);

The termination of all outstanding Newport Bancorp stock options, whether or not vested, with a payment to the holder of the option (including officers and directors of Newport Bancorp) of cash equal to the product of (1) the number of shares of Newport Bancorp common stock subject to the stock option, multiplied by (2) the amount by which \$17.55 exceeds the exercise price of such stock option, less required tax withholding (the aggregate cash payment to the executive officers and directors is \$1,776,656);

The acceleration of vesting of all outstanding restricted stock awards (no executive officer or director holds any restricted stock);

The acceleration of vesting of the normal retirement pension benefit for the non-employee directors of Newport Federal under their supplemental director retirement agreements (the annual retirement benefit payable for 10 years to each director is \$4,800, except in the case of directors Kaull and Harvey who will receive an annual benefit payable for 10 years equal to \$7,000 and \$7,500, respectively);

The appointment of Mr. McCarthy and two other members of Newport Bancorp's board of directors to the boards of directors of SI Financial and Savings Institute immediately following the merger; and

Rights of Newport Bancorp officers and directors to continued indemnification coverage and continued coverage under directors' and officers' liability insurance policies.

Board of Directors

Immediately after the completion of the merger, the board of directors of SI Financial will consist of all the current directors of SI Financial plus Kevin McCarthy, the President and Chief Executive Officer of Newport Bancorp and Newport Federal, and two additional directors from Newport Bancorp. Mr. McCarthy and the additional directors also will join the board of directors of Savings Institute. SI Financial has not yet selected the two additional directors that will join its board and the board of Savings Institute. The board of directors of SI Financial has met each of the directors of Newport Bancorp and is in the process of considering candidates. SI Financial will consider each candidate's background, qualifications and independence and the contributions that each can provide to the boards of directors of SI Financial and Savings Institute. There is no specific timeframe for finalizing the decision on who will be invited to join the board; however, SI Financial will finalize that decision before the closing of the transaction.

For information regarding Mr. McCarthy, see *Annual Meeting of Newport Bancorp Shareholders Proposal No. 4 Election of Directors*.

Accounting Treatment of the Merger (page)

The merger will be accounted for using the acquisition method of accounting in accordance with U.S. generally accepted accounting principles.

Table of Contents

Certain Differences in Shareholder Rights (page)

When the merger is completed, Newport Bancorp shareholders who are to receive shares of SI Financial will become SI Financial shareholders and their rights will be governed by Maryland law and by SI Financial's articles of incorporation and bylaws. See *Comparison of Rights of Shareholders* beginning on page for a summary of the material differences between the respective rights of Newport Bancorp and SI Financial shareholders.

Tax Consequences of the Merger (page)

The federal tax consequences of the merger to shareholders of Newport Bancorp will depend primarily on whether they exchange their Newport Bancorp common stock solely for SI Financial common stock, solely for cash or for a combination of SI Financial common stock and cash. Newport Bancorp shareholders who exchange their shares solely for SI Financial common stock should not recognize gain or loss except with respect to the cash they receive instead of a fractional share. Newport Bancorp shareholders who exchange their shares solely for cash should recognize gain or loss on the exchange. Newport Bancorp shareholders who exchange their shares for a combination of SI Financial common stock and cash should recognize capital gain, but not any loss, on the exchange. The actual federal income tax consequences to Newport Bancorp shareholders of electing to receive cash, SI Financial common stock or a combination of cash and stock will not be ascertainable at the time Newport Bancorp shareholders make their election because it will not be known at that time how, or to what extent, the allocation and proration procedures will apply.

This tax treatment may not apply to all Newport Bancorp shareholders. Determining the actual tax consequences of the merger to Newport Bancorp shareholders can be complicated. Newport Bancorp 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 Newport Bancorp shareholders in greater detail, please see the section *Description of the Merger Tax Consequences of the Merger* beginning on page .

Table of Contents

RISK FACTORS

*In addition to the other information included in this proxy statement/prospectus, you should consider carefully the risk factors described below in deciding how to vote. You should keep these risk factors in mind when you read forward-looking statements in this document. Please refer to the section of this proxy statement/prospectus titled *Caution About Forward-Looking Statements* at page .*

Because the market price of SI Financial common stock will fluctuate, Newport Bancorp shareholders cannot be sure of the market value of the merger consideration they will receive.

Upon closing of the merger, each share of Newport Bancorp common stock will be converted at the election of the shareholder into the right to receive either 1.5129 shares of SI Financial common stock or \$17.55 in cash. The exchange ratio is fixed in the agreement and plan of merger and will not be adjusted for changes in the market price of either SI Financial's common stock or Newport Bancorp's common stock. The market value of the merger consideration may vary from the closing price of SI Financial common stock on the date we announced the merger, on the date that this document was mailed to Newport Bancorp stockholders, on the date of the annual meeting of the Newport Bancorp stockholders and on the date we complete the merger. Therefore, at the time of the annual meeting, Newport Bancorp shareholders will not know or be able to calculate the market value of the SI Financial common stock they will receive upon completion of the merger. For example, based on the range of closing prices of SI Financial common stock during the period from March 5, 2013, the last trading day before public announcement of the merger, through , 2013, the last practicable date before the date of this document, the exchange ratio represented a market value ranging from a low of \$ to a high of \$ for each share of Newport Bancorp common stock.

Stock price changes may result from a variety of factors, including general market and economic conditions, changes in our respective businesses, operations and prospects, and regulatory considerations.

Newport Bancorp shareholders may receive a form of consideration different from what they elect.

The consideration to be received by Newport Bancorp shareholders in the merger is subject to the requirement that 50% of the shares of Newport Bancorp common stock is exchanged for SI Financial common stock and 50% is exchanged for cash. The agreement and plan of merger contains proration and allocation procedures to achieve this desired result. If you elect all cash and the available cash is oversubscribed, then you will receive a portion of the merger consideration in SI Financial common stock. If you elect all stock and the available stock is oversubscribed, then you will receive a portion of the merger consideration in cash. The type of consideration you receive may also be affected by the requirement that the value of the stock portion of the merger consideration is equal to at least 40% of the total value of the merger consideration.

SI Financial may be unable to successfully integrate Newport Bancorp's operations and retain Newport Bancorp's employees.

The merger involves the integration of two companies that have previously operated independently. The difficulties of combining the operations of the two companies include, among other things: integrating personnel with diverse business backgrounds; combining different corporate cultures; and retaining key employees.

The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of the business and the loss of key personnel. The integration of the two companies will require the experience and expertise of certain key employees of Newport Bancorp who are expected to be retained by SI Financial. SI Financial may not be successful in retaining these employees for the time period necessary to successfully integrate Newport Bancorp's operations with those of SI Financial. The diversion of management's attention and any delays or difficulties encountered in connection with the merger and the integration of the two companies' operations could have an adverse effect on the business and results of operations of SI Financial following the merger.

Table of Contents

Additionally, SI Financial may not be able to successfully achieve the level of cost savings, revenue enhancements, and other synergies that it expects, and may not be able to capitalize upon the existing customer relationships of Newport Bancorp to the extent anticipated, or it may take longer, or be more difficult or expensive than expected, to achieve these goals. This could have an adverse affect on SI Financial's business, results of operation and stock price.

The termination fee and the restrictions on solicitation contained in the agreement and plan of merger may discourage other companies from trying to acquire Newport Bancorp.

Until the completion of the merger, with certain exceptions, Newport Bancorp is prohibited from soliciting, initiating, encouraging or taking any other action to facilitate any inquiries, discussions or the making of any proposals that may lead to an acquisition proposal, such as a merger or other business combination transaction, with any person other than SI Financial. In addition, Newport Bancorp has agreed to pay a termination fee to SI Financial in specified circumstances. These provisions could discourage other companies from trying to acquire Newport Bancorp even though those other companies might be willing to offer greater value to Newport Bancorp's shareholders than SI Financial has offered in the merger.

Certain of Newport Bancorp's officers and directors have interests that are different from, or in addition to, interests of Newport Bancorp's shareholders generally.

The directors and officers of Newport Bancorp have interests in the merger that are different from, or in addition to, the interests of Newport Bancorp shareholders generally. These include: (1) employment and change in control agreements for officers of Newport Bancorp and Newport Federal that provide for cash severance payments and continued health insurance benefits upon completion of the merger; (2) a supplemental executive retirement plan for officers of Newport Bancorp and Newport Federal, which provides for a lump sum cash payment in connection with a change in control; (3) the accelerated vesting of Mr. Moscardi's normal retirement benefit under a supplemental executive retirement agreement; (4) consulting and noncompetition agreements entered into with Messrs. McCarthy and Moscardi as a part of the merger; (5) a cash payment in connection with the termination of all outstanding Newport Bancorp stock options; (6) the acceleration of vesting of all outstanding restricted stock awards; (7) accelerated vesting of the normal retirement pension for certain non-employee directors under their supplemental director retirement agreements; (8) the appointment of Mr. McCarthy and two other members of Newport Bancorp's board of directors to the boards of directors of SI Financial and Savings Institute immediately following the merger; and (9) provisions in the agreement and plan of merger relating to indemnification of directors and officers and insurance for directors and officers of Newport Bancorp for events occurring before the merger.

For a more detailed discussion of these interests, see *Description of the Merger - Interests of Certain Persons in the Merger* beginning on page .

Failure to complete the merger could negatively impact the stock prices and future businesses and financial results of SI Financial and Newport Bancorp.

There can be no assurance that the merger will become effective. If the merger is not completed, the ongoing businesses of SI Financial and Newport Bancorp may be adversely affected and SI Financial and Newport Bancorp will be subject to a number of risks, including the following:

SI Financial and Newport Bancorp will be required to pay certain costs relating to the merger, whether or not the merger is completed, such as legal, accounting, financial advisor, proxy solicitation and printing fees;

under the agreement and plan of merger, Newport Bancorp is subject to restrictions on the conduct of its business before completing the merger, which may adversely affect its ability to execute certain of its business strategies if the merger is terminated; and

Table of Contents

matters relating to the merger may require substantial commitments of time and resources by SI Financial and Newport Bancorp management, which could otherwise have been devoted to other opportunities that may have been beneficial to SI Financial and Newport Bancorp as independent companies, as the case may be.

In addition, if the merger is not completed, SI Financial and/or Newport Bancorp may experience negative reactions from the financial markets and from their respective customers and employees. SI Financial and/or Newport Bancorp also could be subject to litigation related to any failure to complete the merger or to proceedings commenced by SI Financial or Newport Bancorp against the other seeking damages or to compel the other to perform their obligations under the agreement and plan of merger. These factors and similar risks could have an adverse effect on the results of operation, business and stock prices of SI Financial and Newport Bancorp.

Both SI Financial and Newport Bancorp shareholders will have a reduced ownership and voting interest after the merger and will exercise less influence over management of the combined organization.

Each of SI Financial and Newport Bancorp shareholders currently have the right to vote in the election of their respective board of directors and on various other matters affecting their respective company. Upon the completion of the merger, Newport Bancorp's shareholders will become shareholders of SI Financial with a percentage ownership of the combined organization that is substantially smaller than such shareholders' percentage ownership of Newport Bancorp. Further, because shares of SI Financial common stock will be issued to existing Newport Bancorp shareholders, the shareholders of SI Financial will have their ownership and voting interests diluted approximately 20.0%.

Newport Bancorp shareholders who make elections may be unable to sell their shares in the market pending the completion of the merger.

Newport Bancorp shareholders may elect to receive cash, stock or mixed consideration in the merger by completing an election form that will be sent under separate cover. Making an election will require that shareholders turn in their Newport Bancorp stock certificates. This means that during the time between when the election is made and the date the merger is completed, Newport Bancorp shareholders will be unable to sell their Newport Bancorp common stock. If the merger is unexpectedly delayed, this period could extend for a significant period of time. Newport Bancorp shareholders can shorten the period during which they cannot sell their shares by delivering their election shortly before the election deadline. However, elections received after the election deadline will not be accepted or honored.

The fairness opinions obtained by each of SI Financial and Newport Bancorp from their respective financial advisors will not reflect changes in circumstances after the date of the fairness opinion.

KBW and Loomis & Co., SI Financial's financial advisors, in connection with the merger, have delivered to the board of directors of SI Financial their respective opinion dated as of March 5, 2013. Sandler O'Neill, Newport Bancorp's financial advisor in connection with the merger, has delivered to the board of directors of Newport Bancorp its opinion dated as of March 5, 2013. The opinions of the respective financial advisors state that as of the respective date of each opinion, and based upon and subject to the factors and assumptions set forth therein, the merger consideration to be paid to the holders of the outstanding shares of Newport Bancorp common stock pursuant to the agreement and plan of merger was fair from a financial point of view to SI Financial and Newport Bancorp, respectively. The opinions do not reflect changes that may occur or may have occurred after the date of such opinions, including changes to the operations and prospects of SI Financial or Newport Bancorp, changes in general market and economic conditions or regulatory or other factors. Any such changes, or changes in other factors on which each opinion is based, may materially alter or affect the estimated valuation conclusions reached in such opinions for SI Financial and Newport Bancorp.

Table of Contents

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

Certain statements contained in this document that are not historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act, and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The sections of this document which contain forward-looking statements include, but are not limited to, *Questions And Answers About the Merger and the Shareholder Meetings*, *Summary*, *Risk Factors*, *Description of the Merger* Background of the Merger, *Description of the Merger* *SI Financial's Reasons for the Merger*, and *Description of the Merger* Background of and Newport Bancorp's Reasons for the Merger. You can identify these statements from the use of the words may, will, should, could, would, plan, potential, estimate, project, believe, intend, anticipate, expect, target and similar expressions.

These forward-looking statements are subject to significant risks, assumptions and uncertainties, including among other things, changes in general economic and business conditions and the risks and other factors set forth in the *Risk Factors* section beginning on page , and those set forth under the caption Risk Factors in SI Financial's and Newport Bancorp's Annual Report on Form 10-K for the year ended December 31, 2012 and other reports filed by SI Financial and Newport Bancorp with the SEC.

Because of these and other uncertainties, SI Financial's actual results, performance or achievements, or industry results, may be materially different from the results indicated by these forward-looking statements. In addition, SI Financial's and Newport Bancorp's past results of operations do not necessarily indicate SI Financial's and Newport Bancorp's combined future results. You should not place undue reliance on any forward-looking statements, which speak only as of the dates on which they were made. Neither Newport Bancorp or SI Financial is undertaking an obligation to update these forward-looking statements, even though their situations may change in the future, except as required under federal securities law. SI Financial and Newport Bancorp qualify all of their forward-looking statements by these cautionary statements.

We also discuss additional factors that could affect the financial condition, results of operations, liquidity or capital resources of SI Financial or Newport Bancorp before or after the merger. See *Information About Newport Bancorp* and *Management's Discussion and Analysis of Financial Condition and Results of Operations of Newport Bancorp* included in this proxy statement/prospectus regarding Newport Bancorp and see *Where You Can Find More Information* for a list of SI Financial documents incorporated by reference.

Table of Contents**SELECTED HISTORICAL FINANCIAL INFORMATION**

The following tables present selected consolidated financial information for SI Financial and for Newport Bancorp at and for the dates indicated. The summary financial information for SI Financial is derived from and should be read in connection with the audited consolidated financial statements of SI Financial, which are presented in prior filings made with the Securities and Exchange Commission, which are incorporated by reference into this document. See *Where You Can Find More Information* on page . The summary financial information for Newport Bancorp is derived from and should be read in connection with the audited consolidated financial statements of Newport Bancorp, which appear elsewhere in this proxy statement/prospectus.

Selected Historical Financial Data of SI Financial

	At or For the Three Months Ended March 31,		At or For the Year Ended December 31,				2008
	2013	2012	2012	2011	2010	2009	2008
	(Dollars in thousands, except per share amounts)						
FINANCIAL CONDITION DATA							
Total assets	\$ 957,178	\$ 974,032	\$ 953,250	\$ 955,047	\$ 926,409	\$ 872,354	\$ 853,122
Cash and cash equivalents	35,251	57,788	37,689	48,412	78,321	24,204	23,203
Securities available for sale	196,101	232,519	176,513	230,814	180,036	183,562	162,699
Loans receivable, net	671,770	632,198	685,163	618,626	606,214	607,692	617,263
Deposits (1)	714,895	722,937	708,355	705,217	664,139	662,378	624,276
Federal Home Loan Bank advances	96,069	100,069	98,069	100,069	114,169	116,100	139,600
Junior subordinated debt owed to unconsolidated trust	8,248	8,248	8,248	8,248	8,248	8,248	8,248
Total shareholders' equity	125,715	131,581	125,759	130,517	81,104	77,462	72,927
OPERATING DATA							
Net interest income	\$ 6,345	\$ 6,670	\$ 26,191	\$ 26,443	\$ 26,051	\$ 24,524	\$ 24,040
Provision for loan losses	135	484	2,896	1,558	902	2,830	1,369
Noninterest income	2,440	2,761	8,717	11,127	10,685	10,181	3,136
Noninterest expenses	8,581	8,350	30,653	32,592	31,518	31,405	30,040
Income tax provision (benefit)	146	194	241	1,003	1,313	35	(1,360)
Net (loss) income	(77)	403	1,118	2,417	3,003	435	(2,873)
COMMON SHARE DATA(2)							
Basic and diluted (loss) earnings per share	\$ (0.01)	\$ 0.04	\$ 0.11	\$ 0.24	\$ 0.29	\$ 0.04	\$ (0.28)
Dividends declared per share	0.03	0.03	0.12	0.12	0.09		0.16
Book value per share	12.43	12.44	12.44	12.34	7.67	7.32	6.88
Outstanding shares	10,111,757	10,575,776	10,112,310	10,576,302	10,577,369	10,587,882	10,597,979
KEY OPERATING RATIOS							
(Loss) return on average assets	(0.03)%	0.17%	0.12%	0.26%	0.34%	0.05%	(0.34)%
(Loss) return on average equity	(0.25)	1.23	0.86	1.85	3.70	0.58	(3.71)
Interest rate spread	2.59	2.66	2.63	2.67	2.88	2.67	2.61
Net interest margin	2.84	2.94	2.88	2.96	3.12	2.98	3.00
Noninterest expenses to average assets	3.65	3.49	3.21	3.44	3.55	3.61	3.55
Dividend payout ratio	(372.73)	74.44	104.74	49.28	13.49	41.61	(25.63)
Efficiency ratio	97.71	91.26	88.19	87.54	86.71	90.64	88.72
Allowance for loan losses as a percent of total loans	0.94	0.85	0.93	0.80	0.79	0.80	0.97
	1.32	1.79	1.11	1.70	0.81	0.49	1.50

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Non-performing loans to total loans							
Non-performing assets to total assets	1.04	1.21	0.94	1.21	0.67	0.77	1.09
Allowance for loan losses as a percent of non-performing loans	70.83	47.26	83.45	46.93	97.44	162.65	64.83
Net charge-offs to average loans outstanding during the year	0.11	0.05	0.22	0.22	0.16	0.64	0.09
Average equity to average assets	13.27	13.71	13.59	13.80	9.14	8.68	9.16
CAPITAL RATIOS (Bank only)							
Total risk-based capital ratio	21.15%	22.30%	21.41%	22.21%	15.34%	14.30%	13.32%
Tier 1 risk-based capital ratio	19.90	21.10	20.20	21.09	14.40	13.36	12.33
Tier 1 capital ratio	11.10	10.76	11.08	10.86	7.81	8.02	7.59

- (1) Includes mortgagors and investors escrow accounts.
- (2) On January 12, 2011, SI Financial converted from the mutual holding company to stock holding company form of organization. Concurrent with the completion of the conversion, each share of the former SI Financial's outstanding common stock held by public shareholders was exchanged for 0.8981 shares of SI Financial common stock. All share-related information for periods prior to the conversion is converted at that ratio.

Table of Contents**Selected Historical Financial Data of Newport Bancorp**

	At or For the Three Months Ended March 31,		At or For the Year Ended December 31,				2008
	2013	2012	2012	2011	2010	2009	
(Dollars in thousands, except per share amounts)							
FINANCIAL CONDITION DATA							
Investment securities	\$ 19,436	\$ 36,860	\$ 22,307	\$ 36,220	\$ 47,021	\$ 51,147	\$ 58,552
Loans, net	356,106	353,543	355,038	348,492	356,049	351,499	333,029
Total assets	430,591	467,535	449,413	453,909	449,685	458,879	432,335
Deposits	281,509	273,080	289,674	264,769	261,050	261,946	229,123
Borrowings	91,321	138,724	102,797	133,696	135,236	141,468	145,438
Stockholders equity	53,965	52,195	53,155	51,654	49,703	51,391	54,313
OPERATING DATA							
Net interest income	\$ 3,400	\$ 3,561	\$ 13,805	\$ 14,934	\$ 15,152	\$ 13,461	\$ 12,056
Provision for loan losses		281	1,019	1,121	956	593	568
Noninterest income	521	543	2,457	2,386	2,183	2,130	1,576
Noninterest expenses	3,533	3,234	13,006	13,967	13,687	13,461	12,916
Income before income taxes	388	589	2,237	2,232	2,692	1,537	148
Net income (loss)	141	402	1,561	1,450	1,800	708	(848)
COMMON SHARE DATA							
Basic earnings (loss) per share	\$ 0.04	\$ 0.12	\$ 0.47	\$ 0.44	\$ 0.52	\$ 0.18	\$ (0.20)
Diluted earnings (loss) per share	0.04	0.12	0.46	0.44	0.52	0.18	(0.20)
Dividends declared per share							
Book value per share	15.22	14.89	15.19	14.73	14.25	13.42	12.86
Outstanding shares	3,544,722	3,506,206	3,499,722	3,506,406	3,488,777	3,830,177	4,222,414
KEY OPERATING RATIOS							
Return (loss) on average assets	0.13%	0.35	0.34%	0.32%	0.40%	0.16%	(0.22)%
Return (loss) on average equity	1.05	3.08	2.96	2.83	3.57	1.34	(1.47)
Interest rate spread	3.32	3.39	3.21	3.49	3.50	2.95	2.76
Net interest margin	3.50	3.55	3.38	3.69	3.72	3.27	3.32
Noninterest expenses to average assets	3.24	2.84	2.80	3.07	3.02	2.99	3.29
Efficiency ratio	90.10	78.80	79.98	80.64	78.96	85.97	90.08
Allowance for loan losses to loans	1.10	1.03	1.12	1.05	1.02	0.98	0.87
Non-performing loans to total loans	0.52	0.84	0.60	0.54	0.03	0.24	
Non-performing assets to total assets	0.44	0.76	0.48	0.42	0.02	0.19	
Allowance for loan losses to non-performing loans	211.08	135.68	186.62	194.19	3,400.00	403.14	N/A
Net charge-offs to average loans	0.04	0.27	0.19	0.31	0.21	0.01	0.01

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Average equity to average assets	12.31	11.45	11.36	11.25	11.15	11.77	14.66
CAPITAL RATIOS							
(Bank only)							
Total risk-based capital ratio	17.42%	16.00%	17.10%	16.00%	15.20%	14.10%	14.30%
Tangible capital ratio	10.58	9.31	10.00	9.50	9.30	8.60	8.90
Leverage capital ratio	10.58	9.31	10.00	9.50	9.30	8.60	8.90

Table of Contents**SUMMARY SELECTED PRO FORMA COMBINED DATA**

The following tables show selected financial information on a pro forma combined basis giving effect to the merger as if the merger had become effective at the end of the period presented, in the case of balance sheet information, and at the beginning of the period presented, in the case of income statement information. The pro forma information reflects the acquisition method of accounting.

SI Financial anticipates that the merger will provide the combined company with financial benefits that include reduced operating expenses and the opportunity to earn more revenue. The pro forma information, while helpful in illustrating the financial characteristics of SI Financial following the merger under one set of assumptions, does not reflect all of these benefits and, accordingly, does not attempt to predict or suggest future results. The pro forma information also does not necessarily reflect what the historical results of SI Financial would have been had our companies been combined during this period.

An exchange ratio of 1.5129 was used in preparing this selected pro forma information. You should read this selected summary pro forma information in conjunction with the information under *Pro Forma Financial Information* and with the historical information in this document on which it is based.

	Three Months Ended March 31, 2013	Year Ended December 31, 2012
	(In thousands, except per share data)	
Pro forma combined income statement data:		
Interest and dividend income	\$ 12,545	\$ 53,414
Interest expense	2,765	13,137
Net interest income	9,780	40,277
Provision for loan losses	135	3,915
Net interest income after provision for loan losses	9,645	36,362
Noninterest income	2,961	11,174
Noninterest expenses (1)	11,031	44,243
Income before income taxes	1,575	3,293
Income tax expense	520	814
Net income	\$ 1,055	\$ 2,479
Pro forma per share data:		
Basic earnings per share	\$ 0.09	\$ 0.20
Diluted earnings per share	\$ 0.09	\$ 0.20
		At March 31, 2013
		(In thousands)
Pro forma combined balance sheet data:		
Total assets		\$ 1,382,933
Loans receivable, net		1,024,996
Deposits		995,527
Borrowings		205,984
Total shareholders' equity		155,410

(1) Excludes merger-related transaction costs incurred in the three months ended March 31, 2013 of \$1.2 million (pre-tax).

Table of Contents**COMPARATIVE PER SHARE DATA**

The following table shows information about SI Financial's and Newport Bancorp's earnings per common share, dividends per share and book value per share, and similar information giving effect to the merger (which we refer to as pro forma information). In presenting the comparative pro forma information for the time periods shown, we assumed that we had been merged on the date or at the beginning of the period indicated.

The information listed as pro forma combined was prepared using an exchange ratio of 1.5129. The information listed as per equivalent Newport Bancorp share was obtained by multiplying the pro forma amounts by an exchange ratio of 1.5129. We present this information to reflect that some Newport Bancorp shareholders will receive shares of SI Financial common stock for each share of Newport Bancorp common stock exchanged in the merger. SI Financial anticipates that the combined company will derive financial benefits from the merger that include reduced operating expenses and the opportunity to earn more revenue. The pro forma combined information, while helpful in illustrating the financial characteristics of SI Financial following the merger under one set of assumptions, does not reflect these benefits and, accordingly, does not attempt to predict or suggest future results. The pro forma combined information also does not necessarily reflect what the historical results of SI Financial would have been had our companies been combined during this period.

The information in the following table is based on, and should be read together with, the historical financial information that we have presented in this document.

	SI Financial Historical	Newport Bancorp Historical	Pro Forma Combined (1) (2)	Per Equivalent Newport Bancorp Share
Book value per share:				
At March 31, 2013	\$ 12.43	\$ 15.22	\$ 12.17	\$ 18.41
Cash dividends declared per share:				
Three Months ended March 31, 2013	0.03		0.03	0.05
Year ended December 31, 2012	0.12		0.12	0.18
Basic earnings (loss) per share:				
Three Months ended March 31, 2013	(0.01)	0.04	0.09	0.14
Year ended December 31, 2012	0.11	0.47	0.20	0.30
Diluted earnings (loss) per share:				
Three Months ended March 31, 2013	(0.01)	0.04	0.09	0.14
Year ended December 31, 2012	0.11	0.46	0.20	0.30

- (1) Pro forma dividends per share represent SI Financial's historical dividends per share.
- (2) The pro forma combined book value per share of SI Financial common stock is based upon the pro forma combined common shareholders equity for SI Financial and Newport Bancorp divided by total pro forma common shares of the combined entities.

Table of Contents**MARKET PRICE AND DIVIDEND INFORMATION**

SI Financial common stock is listed on The Nasdaq Global Select Market under the symbol SIFI . Newport Bancorp common stock is quoted on The Nasdaq Global Market under the symbol NFSB . The following table lists the high and low prices per share for SI Financial common stock and for Newport Bancorp common stock and the cash dividends declared by each company for the periods indicated.

Quarter Ended	SI Financial Common Stock			Newport Bancorp Common Stock		
	High	Low	Dividends	High	Low	Dividends
June 30, 2013 (through , 2013)	\$	\$	\$	\$	\$	\$
March 31, 2013	12.29	11.44	0.03	17.53	15.42	
December 31, 2012	\$ 11.82	\$ 10.76	\$ 0.03	\$ 17.25	\$ 15.20	\$
September 30, 2012	11.90	11.08	0.03	14.85	13.70	
June 30, 2012	11.75	10.38	0.03	14.19	13.25	
March 31, 2012	11.59	9.69	0.03	14.07	12.47	
December 31, 2011	\$ 9.90	\$ 8.76	\$ 0.03	\$ 13.39	\$ 12.25	\$
September 30, 2011	10.38	9.01	0.03	14.03	12.00	
June 30, 2011	10.53	9.67	0.03	14.48	13.41	
March 31, 2011	10.50	8.50	0.03	14.45	11.71	

You should obtain current market quotations for SI Financial and Newport Bancorp common stock, as the market price of SI Financial common stock will fluctuate between the date of this document and the date on which the merger is completed, and thereafter. You can get these quotations from a newspaper, on the Internet or by calling your broker.

As of [Record Date], there were approximately 922 holders of record of SI Financial common stock. As of [Record Date], there were approximately holders of record of Newport Bancorp common stock. These numbers do not reflect the number of persons or entities who may hold their stock in nominee or street name through brokerage firms.

Following the merger, the declaration of dividends will be at the discretion of SI Financial's board of directors and will be determined after consideration of various factors, including earnings, cash requirements, the financial condition of SI Financial, applicable state law and government regulations and other factors deemed relevant by SI Financial's board of directors.

Table of Contents

ANNUAL MEETING OF SI FINANCIAL SHAREHOLDERS

This proxy statement/prospectus is being provided to holders of SI Financial common stock as SI Financial's proxy statement in connection with the solicitation of proxies by and on behalf of its board of directors to be voted at the annual meeting of SI Financial shareholders to be held on [Meeting Date], and at any adjournment or postponement of the annual meeting.

Date, Time and Place of Meeting

The special meeting is scheduled to be held as follows:

Date: [Meeting Date]

Time: .m., Eastern time

Place: [SI Meeting Place], [SI Meeting Address], Willimantic, Connecticut

Purpose of the Meeting

At the annual meeting, SI Financial's shareholders will be asked to:

Approve the agreement and plan of merger, pursuant to which Newport Bancorp will merge with and into SI Financial, with SI Financial surviving the merger, and each outstanding share of Newport Bancorp common stock will be converted into the right to receive at the election of each holder of Newport Bancorp common stock, either \$17.55 in cash or 1.5129 shares of SI Financial common stock, subject to proration and adjustment.

Approve a proposal, if necessary, to adjourn the annual meeting to permit the further solicitation of proxies if there are not sufficient votes at the time of the annual meeting to achieve a quorum or approve the agreement and plan of merger and the merger.

Approve a non-binding advisory resolution approving the compensation of SI Financial's named executive officers.

Elect two directors for a term of three years or until their respective successors are elected and qualified.

Ratify the appointment of Wolf & Company, P.C. as independent auditors for SI Financial for the fiscal year ended December 31, 2013.

Transact any other business that may properly come before the special meeting or any postponement or adjournment of the special meeting.

Who Can Vote at the Meeting

You are entitled to vote if the records of SI Financial showed that you held shares of SI Financial common stock as of the close of business on [Record Date]. Beneficial owners of shares held in the name of a broker, bank or other nominee (street name) should instruct their recordholder how to vote their shares. As of the close of business on the record date, a total of 10,111,757 shares of SI Financial 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 SI Financial 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

The annual meeting will conduct business only if a majority of the outstanding shares of SI Financial common stock entitled to vote is represented in person or by proxy at the meeting. If you return valid proxy

Table of Contents

instructions or attend the meeting in person, your shares will be counted to determine whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted to determine the existence of a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares of SI Financial 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.

Approval and adoption of the agreement and plan of merger will require the affirmative vote of a majority of the outstanding shares of SI Financial common stock entitled to vote at the meeting. **Failure to return a properly executed proxy card or to vote in person will have the same effect as a vote against the agreement and plan of merger. Broker non-votes and abstentions from voting will have the same effect as voting against the agreement and plan of merger.**

The affirmative vote of the majority of votes cast is required if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement and plan of merger, the non-binding advisory vote on the compensation payable to the named executive officers of SI Financial and to ratify the appointment of the auditors for the year ended December 31, 2013. Broker non-votes and abstentions will not be voted as votes cast and will have no effect on the voting of these proposals.

In voting on the election of directors, you may vote in favor of the nominees, withhold votes as to any nominee or withhold votes as to all nominees. There is no cumulative voting for the election of directors. Directors must be elected by a plurality of the votes cast at the annual meeting. This means that the nominees receiving the greatest number of votes will be elected. Votes withheld and broker non-votes will have no effect on the vote for the election of directors.

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 except for the ratification of the independent auditors. SI Financial's board of directors unanimously recommends a vote FOR approval and adoption of the agreement and plan of merger, FOR approval of the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve the agreement and plan of merger, FOR the approval of the compensation payable to the named executive officers of SI Financial, FOR the election of directors and FOR the ratification of the appointment of independent auditors for the fiscal year ending December 31, 2013.

Shares Held by SI Financial Officers and Directors and by Newport Bancorp

As of [Record Date], directors and executive officers of SI Financial beneficially owned 429,370 shares of SI Financial common stock. This equals 4.2% of the outstanding shares of SI Financial common stock. As of the same date, neither Newport Bancorp nor any its subsidiaries, directors or executive officers owned any shares of SI Financial common stock.

Voting and Revocability of Proxies

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

SI Financial 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 annual meeting, you will have to obtain a legal proxy from your recordholder entitling you to vote at the annual 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. You may vote for, against, or abstain with respect to the

Table of Contents

approval and adoption of the agreement and plan of merger. If you are the record holder of your shares of SI Financial common stock and submit your proxy without specifying a voting instruction, your shares of SI Financial common stock will be voted FOR the proposal to approve and adopt the agreement and plan of merger and FOR the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement and plan of merger, FOR the approval of the resolution approving the compensation payable to the named executive officers of SI Financial, FOR, election of directors and FOR the ratification of the appointment of independent auditors for the fiscal year ending December 31, 2013. 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 except for the ratification of the independent auditors. SI Financial's board of directors unanimously recommends a vote FOR approval and adoption of the agreement and plan of merger, FOR approval of the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve the agreement and plan of merger, FOR the approval of the compensation payable to the named executive officers of SI Financial, FOR the election of directors and FOR the ratification of the appointment of independent auditors for the fiscal year ending December 31, 2013.

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

filing with the Corporate Secretary of SI Financial a duly executed revocation of proxy;

submitting a new proxy with a later date; or

voting in person at the annual meeting.

Attendance at the annual 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:

SI Financial Group, Inc.

Laurie L. Gervais, Corporate Secretary

803 Main Street

Willimantic, Connecticut 06226

If any matters not described in this document are properly presented at the annual meeting, the persons named in the proxy card will use their own judgment to determine how to vote your shares. SI Financial does not know of any other matters to be presented at the meeting.

Participants in the ESOP, 401(k) Plan and Equity Incentive Plans

If you participate in the Savings Institute Bank and Trust Company Employee Stock Ownership Plan, or the ESOP, or if you invest in SI Financial common stock through the stock fund in the Savings Institute Bank and Trust Company Profit Sharing and 401(k) Savings Plan, or the 401(k) Plan, you will receive a voting instruction card for each plan that will reflect all the shares that you may direct the trustees to vote on your behalf under the respective plans. Under the terms of the ESOP, all allocated shares of SI Financial common stock held by the ESOP are voted by the ESOP trustee, as directed by plan participants. All unallocated shares of SI Financial common stock held by the ESOP and all allocated shares for which no timely voting instructions are received are voted by the ESOP trustee in the same proportion as shares for which the trustee received voting instructions from other plan participants, subject to the exercise of its fiduciary duties. Under the terms of the 401(k) Plan, participants may direct the Stock Fund trustee how to vote the shares credited to their accounts. The Stock Fund trustee will vote all shares for which it does not receive timely instructions from participants in the same proportion as shares for which the trustee received voting instructions from other plan participants. Under the SI Financial Group, Inc. 2005 Equity Incentive Plan and the SI Financial Group, Inc. 2012 Equity Incentive Plan, participants may direct the plan trustee how to vote the unvested shares of restricted stock awards. The plan trustee will vote all shares held in the trust for which it does not receive timely instructions as directed by SI Financial. **The deadline for returning your voting instruction cards is , 2013.**

Table of Contents

Solicitation of Proxies

SI Financial will pay for this proxy solicitation. In addition to soliciting proxies by mail, AST Phoenix Advisors, a proxy solicitation firm, will assist SI Financial in soliciting proxies for the annual meeting. SI Financial will pay \$6,000 for these services plus out-of-pocket expenses. Additionally, directors, officers and employees of SI Financial may solicit proxies personally and by telephone. None of these persons will receive additional or special compensation for soliciting proxies. SI Financial 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.

PROPOSAL NO. 1

APPROVAL AND ADOPTION OF THE AGREEMENT AND PLAN OF MERGER

At SI Financial's annual meeting of shareholders, shareholders will consider and vote on a proposal to approve and adopt the agreement and plan of merger. Details about the merger, including each party's reasons for the merger, the effect of approval and adoption of the agreement and plan of merger and the timing of effectiveness of the merger, are discussed in the section entitled *Description of The Merger* beginning on page of this document.

Approval of the merger proposal requires the presence of a quorum and the affirmative vote of the holders of at a majority of the outstanding shares of common stock of SI Financial entitled to vote at the meeting.

SI Financial board of directors unanimously recommends

that SI Financial shareholders vote FOR

approval and adoption of the agreement and plan of merger and the merger.

PROPOSAL NO. 2

ADJOURNMENT OF THE SPECIAL MEETING

If there are insufficient proxies at the time of the meeting to approve and adopt the agreement and plan of merger, the SI Financial shareholders may be asked to vote on a proposal to adjourn the meeting to a later date to allow additional time to solicit additional proxies. The SI Financial board does not currently intend to propose adjournment at the meeting if there are sufficient votes to approve and adopt the agreement and plan of merger (Proposal No. 1).

SI Financial board of directors unanimously recommends a vote FOR

approval of the adjournment of the shareholder meeting if necessary

to solicit additional proxies in favor of the approval and adoption of the agreement and plan of merger.

PROPOSAL NO. 3

ELECTION OF DIRECTORS

SI Financial's board of directors consists of seven members. The board is divided into three classes with three-year staggered terms, with approximately one-third of the directors elected each year. The board of directors' nominees for election this year, to serve for a three-year term or until their respective successors have been elected and qualified, are Rheo A. Brouillard and Roger Engle.

Table of Contents

It is intended that the proxies solicited by the board of directors will be voted for the election of the nominees named above. If either nominee is unable to serve, the persons named in the proxy card will vote your shares to approve the election of any substitute nominee proposed by the board of directors. At this time, the board of directors knows of no reason why either nominee might be unable to serve.

The board of directors recommends a vote FOR the election of both of the nominees.

Information regarding the nominees and the directors continuing in office is provided below. Unless otherwise stated, each individual has held his or her current occupation for the last five years. The age indicated in each individual's biography is as of December 31, 2012. There are no family relationships among the directors or executive officers. The indicated period for service as a director includes service as a director of Savings Institute.

Board Nominees for Terms Ending in 2016

Rheo A. Brouillard has been the President and Chief Executive Officer of Savings Institute and SI Financial since 1995 and 2004, respectively. Age 58. Director since 1995.

Mr. Brouillard's extensive experience in the local banking industry and involvement in business and civic organizations in the communities in which Savings Institute serves affords the Board valuable insight regarding the business and operations of Savings Institute. Mr. Brouillard's knowledge of SI Financial's and Savings Institute's business and history, position him well to continue to serve as President and Chief Executive Officer.

Roger Engle was the President of The Crystal Water Company, a water supplier located in Danielson, Connecticut, from 1973 until his retirement in 2000. Mr. Engle served as the First Selectman for the town of Brooklyn, Connecticut from November 2005 until November 2009. As First Selectman, Mr. Engle oversaw all functions of the town, including the budgeting process, issuance of bonds and maintenance of public infrastructure. He was also a director of Connecticut Water Service, Inc. (NASDAQ: CTWS), which delivers water to customers throughout 42 towns in Connecticut and Massachusetts, from 2000 to 2005. Age 74. Director since 1998.

Mr. Engle's experience as President of The Crystal Water Company and First Selectman provides the Board valuable management level experience, including insight into the budget process. In addition, Mr. Engle's continued involvement in community organizations and local political matters is a vital component of a well-rounded board.

Directors with Terms Ending in 2014

Mark D. Alliod is the President and sole owner of Mark D. Alliod CPA PC, a public accounting firm in South Windsor, Connecticut. Age 49. Director since 2005.

Mr. Alliod provides expertise with regard to tax, financial and accounting matters. Also, as owner of an accounting firm, Mr. Alliod brings small business knowledge and management experience. He has the background to qualify as SI Financial's audit committee financial expert.

Michael R. Garvey is a principal and owner of the public accounting firm of Garvey & Associates, LLC, which provides audit and tax services throughout Connecticut. As a principal of an accounting firm, Mr. Garvey is responsible for monitoring the firm's risk management, strategic plan and overall firm operations. Mr. Garvey is also a principal and owner of Professional Payrolls, LLC, which provides payroll processing services to small, local businesses in New London, Connecticut. Age 48. Director since 2007.

Table of Contents

Mr. Garvey is a certified public accountant and has the financial background and expertise in financial accounting, auditing and tax matters to qualify as an audit committee financial expert. In addition, Mr. Garvey possesses substantial small company management experience as the owner of Professional Payrolls, LLC.

Robert O. Gillard is the Chairman and owner of the O.L. Willard Company, Inc., a material supply company with locations in Storrs and Willimantic, Connecticut. Age 66. Director since 1999.

Mr. Gillard's career as a small business executive provides SI Financial with organizational understanding and expertise. Further, through his business, Mr. Gillard has gained comprehensive knowledge of the homebuilding industry throughout Eastern Connecticut, which aids the Board in its oversight of the lending function. In addition, as an active member of the community, including being a member of the Design Review Subcommittee of the Mansfield Planning Board and his previous service on the Greater Windham Community Foundation, Mr. Gillard is knowledgeable of the local consumer environment.

Directors with Terms Ending in 2015

Donna M. Evan is a Sales Manager for WILI AM/FM, a commercial radio station located in Willimantic, Connecticut. Her responsibilities include working with local and regional businesses to market products and services, soliciting business from local and regional businesses and communicating with advertising agencies to coordinate advertising for national clients. Age 64. Director since 1996.

Ms. Evan brings significant business and management level experience from a setting outside of the financial services industry. In addition, through her business experience, Ms. Evan has gained significant marketing knowledge and valuable insight into current buying trends and the local economic environment, adding additional value to the Board.

Henry P. Hinckley is the Chairman of the Board of Directors of SI Financial and Savings Institute. Mr. Hinckley also was the President and owner of J.P. Mustard Agency, Inc., an insurance agency located in Willimantic, Connecticut until his retirement in June 2012. Age 72. Director since 1984.

Mr. Hinckley provides the Board with significant local marketing and sales insight and managerial and operational knowledge through his experience as president of an insurance agency. Mr. Hinckley has considerable experience in the insurance industry and the related risk assessment practice area necessary in banking operations.

PROPOSAL NO. 4

RATIFICATION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit and Risk Committee of the board of directors has appointed Wolf & Company, P.C. to be SI Financial's independent registered public accounting firm for 2013, subject to ratification by shareholders. A representative of Wolf & Company, P.C. is expected to be present at the annual meeting to respond to appropriate questions from shareholders and will have the opportunity to make a statement should he or she desire to do so.

If the ratification of the appointment of the independent registered public accounting firm is not approved by a majority of the votes cast, the Audit and Risk Committee of the board of directors may consider other independent registered public accounting firms.

The board of directors recommends a vote FOR the ratification of the appointment of the independent registered public accounting firm.

Table of Contents

Audit and Risk Committee Report

SI Financial's management is responsible for SI Financial's internal control over financial reporting. SI Financial's independent registered public accounting firm is responsible for performing an independent audit of SI Financial's consolidated financial statements and issuing an opinion on the conformity of those financial statements with U.S. generally accepted accounting principles. The independent registered public accounting firm is also responsible for issuing an opinion on SI Financial's internal control over financial reporting based on criteria issued by the Committee on Sponsoring Organizations of the Treadway Commission. The Audit and Risk Committee oversees SI Financial's internal control over financial reporting on behalf of the board of directors.

In this context, the Audit and Risk Committee has met and held discussions with management and the independent registered public accounting firm. Management represented to the Audit and Risk Committee that SI Financial's consolidated financial statements were prepared in accordance with U.S. generally accepted accounting principles, and the Audit and Risk Committee has reviewed and discussed the consolidated financial statements with management and SI Financial's independent registered public accounting firm. The Audit and Risk Committee discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, *Professional Standards*, Vol. 1 AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T, including the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of the disclosures in the consolidated financial statements.

In addition, the Audit and Risk Committee has received the written disclosures and the letter from the independent registered public accounting firm required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the Audit and Risk Committee concerning independence and has discussed with the independent registered public accounting firm the firm's independence from SI Financial and its management. In concluding that the independent registered public accounting firm is independent, the Audit and Risk Committee considered, among other factors, whether the non-audit services provided by the firm were compatible with its independence.

The Audit and Risk Committee discussed with SI Financial's independent registered public accounting firm the overall scope and plans for their audit. The Audit and Risk Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of their examination, their evaluation of SI Financial's internal control over financial reporting and the overall quality of SI Financial's financial reporting process.

In performing all of these functions, the Audit and Risk Committee acts only in an oversight capacity. In its oversight role, the Audit and Risk Committee relies on the work and assurances of SI Financial's management, which has the primary responsibility for financial statements and reports, and of the independent registered public accounting firm that, in its report, expresses an opinion on the conformity of SI Financial's consolidated financial statements with U.S. generally accepted accounting principles. The Audit and Risk Committee's oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal control over financial reporting designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit and Risk Committee's considerations and discussions with management and the independent registered public accounting firm do not assure that SI Financial's consolidated financial statements are presented in accordance with U.S. generally accepted accounting principles, that the audit of SI Financial's consolidated financial statements has been carried out in accordance with the standards of the Public Company Accounting Oversight Board (United States) or that SI Financial's independent registered public accounting firm is independent.

In reliance on the reviews and discussions referred to above, the Audit and Risk Committee recommended to the board of directors, and the Board has approved, that the audited consolidated financial statements be included in SI Financial's Annual Report on Form 10-K for the year ended December 31, 2012 for filing with the

Table of Contents

Securities and Exchange Commission. The Audit and Risk Committee has appointed, subject to stockholder ratification, the selection of SI Financial's independent registered public accounting firm for the fiscal year ending December 31, 2013.

Audit and Risk Committee of the board of directors

of SI Financial Group, Inc.

Mark D. Alliod Chairperson

Roger Engle

Michael R. Garvey

Robert O. Gillard

Audit Fees

The following table sets forth the fees billed to SI Financial for the years ended December 31, 2012 and 2011 by Wolf & Company, P.C.:

	2012	2011
Audit Fees	\$ 220,081	\$ 221,427
Audit-Related Fees (1)	33,041	32,306
Tax Fees (2)	36,015	35,000
All Other Fees (3)	4,900	

- (1) Represents fees for audits of the 401(k) Plan and the ESOP.
- (2) Represents services rendered for tax compliance, tax advice and tax planning, including the preparation of the annual tax returns and quarterly tax payments.
- (3) For 2012, represents services rendered in connection with the filing of a registration statement on Form S-8 for SI Financial's 2012 Equity Incentive Plan and work performed related to acquisition due diligence.

Policy on Audit and Risk Committee Pre-Approval of Audit and Permissible Non-Audit Services by the Independent Registered Public Accounting Firm

The Audit and Risk Committee is responsible for appointing, setting compensation and overseeing the work of the independent registered public accounting firm. In accordance with its charter, the Audit and Risk Committee approves, in advance, all audit and permissible non-audit services to be performed by the independent registered public accounting firm. Such approval process ensures that the independent registered public accounting firm does not provide any non-audit services to SI Financial that are prohibited by law or regulation.

In addition, the Audit and Risk Committee has established a policy regarding pre-approval of all audit and permissible non-audit services provided by the independent registered public accounting firm. Requests for services by the independent registered public accounting firm for compliance with the policy of auditor services must be specific as to the particular services to be provided.

The request may be made with respect to either specific services or a type of service for predictable or recurring services.

During the year ended December 31, 2012, all services were approved, in advance, by the Audit and Risk Committee in compliance with these procedures.

Table of Contents

PROPOSAL NO. 5

NON-BINDING ADVISORY VOTE TO APPROVE THE COMPENSATION PAYABLE TO THE NAMED EXECUTIVE OFFICERS OF SI FINANCIAL

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) requires, among other things, that SI Financial permit a non-binding advisory vote on the compensation of its named executive officers, as described in the tabular disclosure regarding named executive officer compensation and the accompanying narrative disclosure in this proxy statement.

This proposal, commonly known as a say-on-pay proposal, gives SI Financial s stockholders the opportunity to endorse or not endorse SI Financial s executive compensation program and policies through the following resolution:

Resolved, that SI Financial s shareholders approve the compensation paid to SI Financial s named executive officers, as described in the Compensation Discussion and Analysis and compensation tables and narrative disclosure in this proxy statement/prospectus.

Because the vote is advisory, it will not be binding upon SI Financial or its board of directors. However, the Compensation Committee will take into account the outcome of the vote when considering future executive compensation arrangements. We urge shareholders to read the Compensation Discussion and Analysis beginning on page and related compensation tables and narrative on page , which provide detailed information on our compensation policies and practices for our named executive officers.

The board of directors unanimously recommends a vote FOR approval of the compensation of the named executive officers.

ANNUAL MEETING OF NEWPORT BANCORP SHAREHOLDERS

This proxy statement/prospectus is being provided to holders of Newport Bancorp common stock as Newport Bancorp s proxy statement in connection with the solicitation of proxies by and on behalf of its board of directors to be voted at the annual meeting of Newport Bancorp shareholders to be held on [Meeting Date], and at any adjournment or postponement of the annual meeting. This proxy statement/prospectus is also being provided to you as SI Financial s prospectus in connection with the offer and sale by SI Financial of its shares of common stock as a result of the proposed merger.

Date, Time and Place of Meeting

The annual meeting is scheduled to be held as follows:

Date: [Meeting Date]

Time: : .m., Eastern time

Place: The [NBI Meeting Place], [NBI Meeting Address], Newport, Rhode Island

Purpose of the Meeting

At the annual meeting, Newport Bancorp s shareholders will be asked to:

Approve the agreement and plan of merger, pursuant to which Newport Bancorp will merge with and into SI Financial, with SI Financial surviving the merger, and each outstanding share of Newport

Table of Contents

Bancorp common stock will be converted into the right to receive at the election of each holder of Newport Bancorp common stock, either \$17.55 in cash or 1.5129 shares of SI Financial common stock.

Approve a proposal, if necessary, to adjourn the annual meeting to permit the further solicitation of proxies if there are not sufficient votes at the time of the special meeting to achieve a quorum or approve the agreement and plan of merger and the merger.

Approve a non-binding advisory resolution approving the compensation that Newport Bancorp's named executive officers will receive in connection with merger.

Elect two directors (the nominees to be elected at the annual meeting will serve until the consummation of the merger, or if the merger is not consummated, for a term of three years and until their respective successors are elected and qualified).

Ratify the appointment of Wolf & Company, P.C. as independent auditors for Newport Bancorp for the fiscal year ending December 31, 2013.

Vote on a non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp.

Vote on the frequency of the advisory vote on the compensation payable to the named executive officers of Newport Bancorp.

Transact any other business that may properly come before the annual meeting or any postponement or adjournment of the annual meeting.

Who Can Vote at the Meeting

You are entitled to vote if the records of Newport Bancorp showed that you held shares of Newport Bancorp common stock as of the close of business on [Record Date]. Beneficial owners of shares held in the name of a broker, bank or other nominee (street name) should instruct their recordholder how to vote their shares. As of the close of business on the record date, a total of 3,544,722 shares of Newport Bancorp 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 Newport Bancorp 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

The annual meeting will conduct business only if a majority of the outstanding shares of Newport Bancorp common stock entitled to vote is represented in person or by proxy at the meeting. If you return valid proxy instructions or attend the meeting in person, your shares will be counted to determine whether there is a quorum, even if you abstain from voting. Broker non-votes also will be counted to determine the existence of a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares of Newport Bancorp 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.

Approval and adoption of the agreement and plan of merger will require the affirmative vote of a majority of the outstanding shares of Newport Bancorp common stock entitled to vote at the meeting. **Failure to return a properly executed proxy card or to vote in person will have the same effect as a vote against the agreement and plan of merger. Broker non-votes and abstentions from voting will have the same effect as voting against the agreement and plan of merger.**

The affirmative vote of the majority of votes cast is required to approve the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement and plan

Table of Contents

of merger, to approve the non-binding advisory vote on the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, to ratify the appointment of the independent auditors for the year ending December 31, 2013, and to approve the non-binding advisory vote on the compensation payable to the named executive officers of Newport Bancorp.

In voting on the election of directors, you may vote in favor of the nominees, withhold votes as to any nominee or withhold votes as to all nominees. There is no cumulative voting for the election of directors. Directors must be elected by a plurality of the votes cast at the annual meeting. This means that the nominees receiving the greatest number of votes will be elected. Votes withheld and broker non-votes will have no effect on the vote for the election of directors.

In voting on the non-binding proposal with respect to the frequency that stockholders will vote on our executive compensation, a stockholder may: (1) select that stockholders consider the proposal every one year; (2) select that stockholders consider the proposal every two years; (3) select that stockholders consider the proposal every three years; or (4) abstain from voting on the proposal. Generally, approval of any matter presented to stockholders requires the affirmative vote of a majority of the votes cast. However, because this vote is advisory and non-binding, if none of the frequency options receive a majority of the votes cast, the option receiving the greatest number of votes will be considered the frequency recommended by our stockholders. Even though this vote will neither be binding on us or the board of directors, or impose any additional fiduciary duty on us or the board of directors, the board of directors will take into account the outcome of this vote in making a determination on the frequency that advisory votes on executive compensation will be included in our proxy statements.

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 except for the ratification of the independent auditors. Newport Bancorp's board of directors unanimously recommends a vote FOR approval and adoption of the agreement and plan of merger, FOR approval of the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve the agreement and plan of merger, FOR the approval of the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, FOR the election of directors and FOR the ratification of the appointment of independent auditors for the fiscal year ending December 31, 2013.

Shares Held by Newport Bancorp Officers and Directors and by SI Financial

As of [Record Date], directors and executive officers of Newport Bancorp beneficially owned 326,851 shares of Newport Bancorp common stock. This equals 9.2% of the outstanding shares of Newport Bancorp common stock. As of the same date, neither SI Financial nor any its subsidiaries, directors or executive officers owned any shares of Newport Bancorp common stock. All of Newport Bancorp's directors entered into voting agreements with SI Financial to vote the 251,420 shares of Newport Bancorp common stock owned by them in favor of the proposal to approve the agreement and plan of merger.

Voting and Revocability of Proxies

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

Newport Bancorp 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 annual meeting, you will have to obtain a legal proxy from your recordholder entitling you to vote at the annual meeting.

Table of Contents

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. You may vote for, against, or abstain with respect to the approval and adoption of the agreement and plan of merger. If you are the record holder of your shares of Newport Bancorp common stock and submit your proxy without specifying a voting instruction, your shares of Newport Bancorp common stock will be voted FOR the proposal to approve and adopt the agreement and plan of merger, FOR the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve and adopt the agreement and plan of merger, FOR the approval of the resolution approving the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, FOR the election of directors, FOR the ratification of the appointment of independent auditors for the fiscal year ending December 31, 2013, FOR the non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp and to hold the non-binding advisory vote to approve the compensation payable to the named executive officers of Newport Bancorp every year. 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 except for the ratification of the independent auditors. Newport Bancorp's board of directors unanimously recommends a vote FOR approval and adoption of the agreement and plan of merger, FOR approval of the proposal to adjourn the meeting if necessary to permit further solicitation of proxies on the proposal to approve the agreement and plan of merger, FOR the approval of the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, FOR the election of directors, FOR the ratification of the appointment of independent auditors for the fiscal year ending December 31, 2013, FOR the non-binding advisory resolution approving the compensation payable to the named executive officers of Newport Bancorp and to hold the non-binding advisory vote to approve the compensation payable to the named executive officers of Newport Bancorp every year.

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

filing with the Corporate Secretary of Newport Bancorp a duly executed revocation of proxy;

submitting a new proxy with a later date; or

voting in person at the annual meeting.

Attendance at the annual 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:

Newport Bancorp, Inc.

Judy Tucker, Corporate Secretary

100 Bellevue Avenue

Newport, Rhode Island 02840

If any matters not described in this document are properly presented at the annual meeting, the persons named in the proxy card will use their own judgment to determine how to vote your shares. Newport Bancorp does not know of any other matters to be presented at the meeting.

Solicitation of Proxies

Newport Bancorp will pay for this proxy solicitation. In addition to soliciting proxies by mail, Regan & Associates, a proxy solicitation firm, will assist Newport Bancorp in soliciting proxies for the annual meeting. Newport Bancorp will pay \$6,000 for these services plus out-of-pocket expenses. Additionally, directors, officers and employees of Newport Bancorp and Newport Federal may solicit proxies personally and by telephone. None of these persons will receive additional or special compensation for soliciting proxies. Newport Bancorp 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.

Table of Contents

PROPOSAL NO. 1

APPROVAL AND ADOPTION OF THE AGREEMENT AND PLAN OF MERGER

At Newport Bancorp's annual meeting of shareholders, shareholders will consider and vote on a proposal to approve and adopt the agreement and plan of merger. Details about the merger, including each party's reasons for the merger, the effect of approval and adoption of the agreement and plan of merger and the timing of effectiveness of the merger, are discussed in the section entitled *Description of The Merger* beginning on page of this document.

Approval of the merger proposal requires the presence of a quorum and the affirmative vote of the holders of a majority of the outstanding shares of common stock of Newport Bancorp entitled to vote at the meeting.

Newport Bancorp board of directors unanimously recommends

that Newport Bancorp shareholders vote FOR

approval and adoption of the agreement and plan of merger and the merger.

PROPOSAL NO. 2

ADJOURNMENT OF THE ANNUAL MEETING

If there are insufficient proxies at the time of the meeting to approve and adopt the agreement and plan of merger, the Newport Bancorp shareholders may be asked to vote on a proposal to adjourn the meeting to a later date to allow additional time to solicit additional proxies. The Newport Bancorp board does not currently intend to propose adjournment at the meeting if there are sufficient votes to approve and adopt the agreement and plan of merger (Proposal No. 1).

Newport Bancorp board of directors unanimously recommends a vote FOR

approval of the adjournment of the shareholder meeting if necessary

to solicit additional proxies in favor of the approval and adoption of the agreement and plan of merger.

PROPOSAL NO. 3

NON-BINDING ADVISORY VOTE TO APPROVE THE COMPENSATION PAYABLE TO THE

NAMED EXECUTIVE OFFICERS OF NEWPORT BANCORP IN CONNECTION WITH THE MERGER

In accordance with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules of the Securities and Exchange Commission adopted thereunder, Newport Bancorp's board of directors is providing shareholders with the opportunity to cast a non-binding advisory vote on the compensation payable to the named executive officers of Newport Bancorp in connection with the merger, as summarized in the table under the caption *Description of the Merger Interests of Certain Persons in the Merger Severance and Other Payments to Certain Persons* beginning on page of this proxy statement/prospectus. This proposal gives Newport Bancorp shareholders the opportunity to express their views on the compensation that Newport Bancorp's named executive officers will be entitled to receive that is based on or otherwise relates to the merger.

As described in greater detail under the caption *Description of the Merger Interests of Certain Persons in the Merger Severance and Other Payments to Certain Persons*, three of Newport Bancorp's named executive officers will receive a payment from Newport Bancorp or SI Financial. Two of the named executive officers will also enter into a new consulting agreement with Savings Institute, as a result of the merger. Under Securities Exchange Commission rules, Newport Bancorp's shareholders must be provided with the opportunity to vote on

Table of Contents

a non-binding advisory resolution to approve certain golden parachute payments that named executive officers will receive in connection with the merger. The payments to Messrs. McCarthy, Moscardi and Gilmore constitute golden parachute payments.

None of Messrs. McCarthy, Moscardi and Gilmore is expected to be offered an officer position with SI Financial following the merger. Under each executive's agreement with Newport Bancorp and/or Newport Federal, the executive will be entitled to receive a severance payment upon the occurrence of a change in control and the loss of comparable employment.

Accordingly, at the annual meeting, Newport Bancorp is asking its shareholders to approve, in a non-binding advisory vote, the compensation payable to Messrs. McCarthy, Moscardi and Gilmore in connection with the merger through the adoption of the following resolution:

RESOLVED, that the compensation that may be paid or become payable to Messrs. McCarthy, Moscardi and Gilmore in connection with the merger, as disclosed in the table under the caption *Description of the Merger Interests of Certain Persons in the Merger Severance and Other Payments to Certain Persons* in this proxy statement/prospectus in accordance with Item 402(t) of Regulation S-K, including the associated narrative discussion, and the agreements or understandings pursuant to which such compensation may be paid or become payable, is hereby APPROVED.

The vote on this Proposal No. 3 is a vote separate and apart from the vote on Proposal No. 1 to approve the agreement and plan of merger. Accordingly, you may vote not to approve this Proposal No. 3 and to approve Proposal No. 1, and vice versa. Because the vote is advisory in nature only, it will not be binding on either Newport Bancorp or SI Financial, regardless of whether the agreement and plan of merger is approved. Accordingly, as the compensation to be paid in connection with the merger is a contractual obligation to Messrs. McCarthy, Moscardi and Gilmore, regardless of the outcome of this advisory vote, such compensation will be payable if the agreement and plan of merger is approved and the merger is completed, subject only to the contractual conditions applicable to such payment.

The affirmative vote of the majority of the votes cast is required to approve this proposal. Abstentions and broker non-votes will have no effect on this proposal.

Newport Bancorp's Board of Directors unanimously recommends a vote FOR approval, on an advisory non-binding basis, of the compensation payable in connection with the merger.

PROPOSAL NO. 4

ELECTION OF DIRECTORS

Newport Bancorp currently has eleven directors. The Board is divided into three classes with staggered three-year terms. The nominees for election this year are William R. Harvey and Kevin M. McCarthy, each of whom currently serves in the class of Newport Bancorp and Newport Federal directors with terms ending in 2013. Alicia S. Quirk, who also serves in the class of directors with terms ending in 2013, will retire on the date of the 2013 Annual Meeting of Stockholders. The Board of Directors has determined to decrease the number of directors from eleven to ten immediately following Ms. Quirk's retirement.

It is intended that the proxies solicited by the Board of Directors will be voted for the election of the nominees named below unless other instructions are provided. If any nominee is unable to serve, the persons named in the proxy card will vote your shares to approve the election of any substitute proposed by the Board of Directors. Alternatively, the Board of Directors may adopt a resolution to reduce the size of the Board. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve.

Table of Contents

Information regarding the nominees and the directors continuing in office is provided below. Unless otherwise stated, each individual has held his or her current occupation for the last five years. The age indicated in the biography of each nominee and continuing director is at December 31, 2012.

The nominees standing for election are:

William R. Harvey is an attorney and partner in the law firm Harvey, Carr & Hadfield. Mr. Harvey's extensive legal career, make his contributions to the Board in the areas of leadership, consensus building, corporate governance and litigation oversight very important. Mr. Harvey has been a director of Newport Federal since 1987 and director of Newport Bancorp since its formation. Mr. Harvey also provides legal services to Newport Bancorp and Newport Federal. Age 66.

Kevin M. McCarthy is President and Chief Executive Officer of Newport Federal and Newport Bancorp. Mr. McCarthy joined Newport Federal in 1989. Prior to joining Newport Federal, Mr. McCarthy served as Vice President, Director of Policy and Supervision at the Federal Home Loan Bank of Boston from 1977 to 1989 and was a savings and loan examiner with the Federal Home Loan Bank Board from 1973 to 1977. Currently, Mr. McCarthy serves on the Board of the Federal Home Loan Bank of Boston and the Community Bank Council of the American Bankers Association. Mr. McCarthy is a retired Captain in the U.S. Navy Reserve. Mr. McCarthy has been a director of Newport Federal since 1993 and director of Newport Bancorp since its formation. Age 65.

The following directors have terms ending in 2014:

Peter T. Crowley is the owner of La Forge Casino Restaurant. Mr. Crowley's experience successfully managing and working in one of the premier restaurants in Newport for the last 42 years has resulted in management, financial and marketing expertise that has benefited Newport Federal. Mr. Crowley has been a director of Newport Federal since 1992 and a director of Newport Bancorp since its formation. Age 64.

Michael J. Hayes is the President of Michael Hayes Co. Mr. Hayes' experience as the Chief Executive of a local clothing retailer gives him unique insights in Newport Bancorp's challenges, opportunities and operations. In addition, his retail marketing skills have proven to be most helpful to Newport Federal. Mr. Hayes has been a director of Newport Federal since 1988 and a director of Newport Bancorp since its formation. Age 63.

Arthur H. Lathrop is a Certified Public Accountant. Mr. Lathrop was licensed as a Certified Public Accountant in Massachusetts in 1982 and in Rhode Island from 1987 to the present. He brings substantial financial, auditing and tax expertise to the Board. Mr. Lathrop has been a director of Newport Federal since 2005 and a director of Newport Bancorp since its formation. Before serving as a director with Newport Federal, Mr. Lathrop was a director of Westerly Savings Bank from 1993 until it merged with Newport Federal in 2005. Mr. Lathrop was also a director of Ocean State Tax-Exempt Fund until 2008. Age 58.

Kathleen A. Nealon is a Certified Public Accountant, the Chief Financial Officer and a manager in the Professional Planning Group, a Westerly, Rhode Island based company that provides an array of financial planning services. Ms. Nealon brings financial, accounting and management expertise to the Board. Ms. Nealon has been a director of Newport Federal since 2005 and a director of Newport Bancorp since its formation. Before serving as a director with Newport Federal, Ms. Nealon was a director of Westerly Savings Bank from 2004 until it merged with Newport Federal in 2005. Age 60.

The following directors have terms ending in 2015:

Donald N. Kaull is a retired independent property/casualty insurance agent. As the former Chief Executive of an insurance agency, Mr. Kaull brings extensive experience in management, corporate governance, finance and risk management to the Board. Mr. Kaull has been a director of Newport Federal since 1989 and a director of Newport Bancorp since its formation. Age 67.

Table of Contents

Arthur P. Macauley is President of CM Publications, Inc. Prior to starting his own company, CM Publications, Mr. Macauley was the Director of Planning for a graphics company. His background in planning and management provides a unique perspective to the Board. Mr. Macauley has been a director of Newport Federal since 2005 and a director of Newport Bancorp since its formation. Before serving as a director with Newport Federal, Mr. Macauley was a director of Westerly Savings Bank from 1981 until it merged with Newport Federal in 2005. Age 70.

Nino Moscardi has been Executive Vice President, Chief Operating Officer and director of Newport Federal since October 2005 and Executive Vice President, Chief Operating Officer and director of Newport Bancorp since its formation. Before serving with Newport Federal, Mr. Moscardi was Chairman and Chief Executive Officer of Westerly Savings Bank from 1989 until it merged with Newport Federal in 2005. Mr. Moscardi currently serves on the Board and is a former chairman of the Rhode Island Bankers Association. He also is a Board member of the Ocean State Business Development Authority. Age 61.

Barbara Saccucci-Radebach is the General Manager of Saccucci Lincoln Mercury Honda, Inc. and has been since 1974. In addition to Ms. Saccucci-Radebach's expertise in management and administration, she brings risk assessment skills and marketing expertise to the Board. Ms. Saccucci-Radebach has been a director of Newport Federal since 1991 and a director of Newport Bancorp since its formation. Age 60.

Newport Bancorp's Board of Directors unanimously recommends

a vote FOR the election of each of the nominees.

PROPOSAL NO. 5

RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors has appointed Wolf & Company, P.C. to be Newport Bancorp's independent registered public accounting firm for the 2013 fiscal year, subject to ratification by stockholders. A representative of Wolf & Company, P.C. is expected to be present at the annual meeting to respond to appropriate questions from stockholders and will have the opportunity to make a statement should he or she desire to do so.

If the ratification of the appointment of Wolf & Company, P.C. is not approved by a majority of the votes cast by stockholders at the annual meeting, other independent registered public accounting firms may be considered by the Audit Committee of the Board of Directors.

The Board of Directors recommends that stockholders vote FOR the ratification of the appointment of Wolf & Company, P.C. as Newport Bancorp's independent registered public accounting firm.

Audit and Non-Audit Fees

The following table sets forth the fees billed to Newport Bancorp for the fiscal years ended December 31, 2012 and December 31, 2011 by Wolf & Company, P.C.

	2012	2011
Audit fees (1)	\$ 159,000	\$ 153,500
Tax fees (2)	18,000	17,000
All other fees (3)	7,500	7,500

- (1) Includes quarterly reviews.
- (2) Includes tax return preparation and related tax compliance services.
- (3) Includes WolfPac IT risk assessment annual license fee.

Table of Contents

Pre-Approval of Services by the Independent Registered Public Accounting Firm

The Audit Committee is responsible for appointing, setting compensation and overseeing the work of the independent registered public accounting firm. In accordance with its charter, the Audit Committee approves, in advance, all audit and permissible non-audit services to be performed by the independent registered public accounting firm. Such approval process ensures that the external auditor does not provide any non-audit services to Newport Bancorp that are prohibited by law or regulation.

In addition, the Audit Committee has established a policy regarding pre-approval of all audit and permissible non-audit services provided by the independent registered public accounting firm. Requests for services by the independent registered public accounting firm for compliance with the auditor services policy must be specific as to the particular services to be provided. The request may be made with respect to either specific services or a type of service for predictable or recurring services. During the year ended December 31, 2012, all services were approved, in advance, by the Audit Committee in compliance with these procedures.

Audit Committee Report

Newport Bancorp's management is responsible for Newport Bancorp's internal controls and financial reporting process. Newport Bancorp's independent registered public accounting firm is responsible for performing an independent audit of Newport Bancorp's consolidated financial statements and issuing an opinion on the conformity of those financial statements with generally accepted accounting principles. The Audit Committee oversees Newport Bancorp's internal controls and financial reporting process on behalf of the Board of Directors.

In this context, the Audit Committee has met and held discussions with management and the independent registered public accounting firm. Management represented to the Audit Committee that Newport Bancorp's consolidated financial statements were prepared in accordance with generally accepted accounting principles and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with the independent registered public accounting firm matters required to be discussed by Statement on Auditing Standards No. 61, as amended, including the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of the disclosures in the consolidated financial statements.

In addition, the Audit Committee has received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the Audit Committee concerning the independent registered public accounting firm's independence, and has discussed such independence with the independent registered public accounting firm. In concluding that the registered public accounting firm is independent, the Audit Committee considered, among other factors, whether the non-audit services provided by the firm were compatible with its independence.

The Audit Committee discussed with Newport Bancorp's independent registered public accounting firm the overall scope and plans for their audit. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of their audit, their evaluation of Newport Bancorp's internal controls, and the overall quality of Newport Bancorp's financial reporting.

In performing all of these functions, the Audit Committee acts only in an oversight capacity. In its oversight role, the Audit Committee relies on the work and assurances of Newport Bancorp's management, which has the primary responsibility for financial statements and reports, and of the independent registered public accounting firm who, in its report, expresses an opinion on the conformity of Newport Bancorp's consolidated financial statements to generally accepted accounting principles. The Audit Committee's oversight does not provide it with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's

Table of Contents

considerations and discussions with management and the independent registered public accounting firm do not ensure that Newport Bancorp's consolidated financial statements are presented in accordance with generally accepted accounting principles, that the audit of Newport Bancorp's consolidated financial statements has been carried out in accordance with standards of the Public Company Accounting Oversight Board (United States) or that Newport Bancorp's independent registered public accounting firm is in fact independent.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the board has approved, that the audited consolidated financial statements be included in Newport Bancorp's Annual Report on Form 10-K for the year ended December 31, 2012, for filing with the Securities and Exchange Commission. The Audit Committee also has approved, subject to stockholder ratification, the selection of Newport Bancorp's independent registered public accounting firm, for the fiscal year ending December 31, 2013.

Audit Committee of the Board of Directors of

Newport Bancorp, Inc.

Peter T. Crowley

William R. Harvey

Michael J. Hayes

Arthur H. Lathrop (Chair)

Kathleen A. Nealon

Newport Bancorp's Board of Directors unanimously recommends a vote FOR

the ratification of the appointment of the independent registered public accounting firm.

PROPOSAL NO. 6

NON-BINDING ADVISORY VOTE TO APPROVE THE COMPENSATION PAYABLE TO THE NAMED EXECUTIVE OFFICERS OF NEWPORT BANCORP

The compensation of Newport Bancorp's principal executive officer and its two other most highly compensated executive officers (the named executive officers) is described in the section of this proxy statement/prospectus entitled *Executive Compensation*. Stockholders are urged to read the Executive Compensation section prior to voting on this proposal.

In accordance with Section 14A of the Exchange Act, Newport Bancorp stockholders will be asked at the Newport Bancorp 2013 annual meeting of stockholders to provide their support with respect to the compensation of its named executive officers by voting on the following advisory, non-binding resolution:

RESOLVED, that the stockholders of Newport Bancorp, Inc. approve, on an advisory basis, the compensation of Newport Bancorp, Inc.'s named executive officers described in the Executive Compensation section of the Proxy Statement/Prospectus, the compensation tables and other narrative executive compensation disclosures set forth in that section.

This advisory vote, commonly referred to as a "say-on-pay" advisory vote, is non-binding on the Board of Directors. Although non-binding, the Board of Directors and the Compensation/Personnel Committee value constructive dialogue on executive compensation and other important governance topics with Newport Bancorp stockholders and encourages all stockholders to vote their shares on this matter. The Board of Directors and the Compensation/Personnel Committee will review the voting results and take them into consideration when making future decisions regarding Newport Bancorp's executive compensation programs.

The Board of Directors unanimously recommends that you vote FOR the resolution set forth in this Proposal No. 6.

Table of Contents

PROPOSAL NO. 7

FREQUENCY OF THE NON-BINDING ADVISORY VOTE TO APPROVE THE COMPENSATION PAYABLE TO THE NAMED EXECUTIVE OFFICERS OF NEWPORT BANCORP

In accordance with Section 14A of the Exchange Act, Newport Bancorp is providing a shareholder advisory vote to approve the compensation of its named executive officers (the say-on-pay advisory vote in Proposal No. 6 above) this year and will do so at least once every three years thereafter. Pursuant to Section 14A of the Exchange Act, at the Newport Bancorp 2013 annual meeting of stockholders, Newport Bancorp will also ask stockholders to vote on whether future say-on-pay advisory votes on executive compensation should occur every year, every two years or every three years.

After careful consideration, the Board of Directors recommends that future shareholder say-on-pay advisory votes on executive compensation be conducted every year. The determination was based upon the premise that named executive officer compensation is evaluated, adjusted and approved on an annual basis by the Board of Directors upon a recommendation from the Compensation/Personnel Committee and the belief that investor sentiment should be a factor taken into consideration by the Compensation/Personnel Committee in making its annual recommendation.

Although the Board of Directors recommends a say-on-pay vote every year, stockholders will be able to specify one of four choices for this proposal on the proxy card: one year, two years, three years or abstain. Stockholders are not voting to approve or disapprove of the Board of Directors recommendation.

Although this advisory vote regarding the frequency of say-on-pay votes is non-binding on the Board of Directors, the Board of Directors and the Compensation/Personnel Committee will review the voting results and take them into consideration when deciding how often to conduct future say-on-pay shareholder advisory votes.

The Board of Directors unanimously recommends that you vote FOR the One Year frequency option.

DESCRIPTION OF THE MERGER

The following summary of the agreement and plan of merger is qualified by reference to the complete text of the agreement and plan of merger. A copy of the agreement and plan of merger is attached as Annex A to this proxy statement/prospectus and is incorporated by reference into this proxy statement/prospectus. You should read the agreement and plan of merger completely and carefully as it, rather than this description, is the legal document that governs the merger.

General

The agreement and plan of merger provides for the merger of Newport Bancorp with and into SI Financial, with SI Financial as the surviving entity. Immediately following the merger of Newport Bancorp with SI Financial, Newport Federal will merge with and into Savings Institute, with Savings Institute as the surviving entity.

Consideration to be Received in the Merger

When the merger becomes effective, each share of Newport Bancorp common stock issued and outstanding immediately before completion of the merger will automatically be converted into the right to receive, at the holder's election, either \$17.55 in cash or 1.5129 shares of SI Financial common stock, plus cash in lieu of any fractional share. Although shareholders of Newport Bancorp are being given the choice of whether to receive

Table of Contents

cash, SI Financial common stock or a combination of cash and SI Financial common stock in exchange for their shares of Newport Bancorp common stock, all elections will be subject to the allocation and proration procedures as well as other provisions in the agreement and plan of merger.

If SI Financial declares a stock dividend or distribution on shares of its common stock or subdivides, splits, reclassifies or combines the shares of SI Financial common stock before the effective time of the merger, then the exchange ratio will be adjusted to provide Newport Bancorp shareholders with the same economic effect as contemplated by the agreement and plan of merger before any of these events.

Newport Bancorp's shareholders will not receive fractional shares of SI Financial common stock. Instead, Newport Bancorp's shareholders will receive a cash payment for any fractional shares in an amount equal to the product of (1) the fraction of a share of SI Financial common stock to which he, she or it is entitled multiplied by (2) the average closing sales price of SI Financial common stock over the five trading days ending on the third business day before the closing date of the merger.

Cash, Stock or Mixed Election

Under the terms of the agreement and plan of merger, Newport Bancorp shareholders may elect to convert their shares into cash, SI Financial common stock or a mixture of cash and SI Financial common stock. All elections of Newport Bancorp shareholders are further subject to the allocation and proration procedures described in the agreement and plan of merger. These procedures provide that the number of shares of Newport Bancorp common stock to be converted into SI Financial common stock must equal 50% of the total number of shares of Newport Bancorp Common Stock outstanding at the effective time of the merger and that the number of shares of Newport Bancorp to be converted into cash in the merger must equal 50% of the total number of shares of Newport Bancorp common stock outstanding at the effective time of the merger. In addition, for federal income tax purposes and solely so as to ensure that the merger will qualify as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code, SI Financial in its sole discretion may elect to increase the number of shares of Newport Bancorp common stock that will be converted into shares of SI Financial common stock to ensure that the total value of the stock portion of the merger consideration will equal at least 40% of the merger consideration. Neither SI Financial nor Newport Bancorp is making any recommendation as to whether Newport Bancorp shareholders should elect to receive cash, SI Financial common stock or a mixture of cash and SI Financial common stock in the merger. Each holder of Newport Bancorp common stock must make his or her own decision with respect to such election.

It is unlikely that elections will be made in the exact proportions provided for in the agreement and plan of merger. As a result, the agreement and plan of merger describes procedures to be followed if Newport Bancorp shareholders in the aggregate elect to receive more or less of the SI Financial common stock than SI Financial has agreed to issue. These procedures are summarized below.

If Stock Is Oversubscribed: If Newport Bancorp shareholders elect to receive more SI Financial common stock than SI Financial has agreed to issue in the merger, then all Newport Bancorp shareholders who have elected to receive cash or who have made no election will receive cash for their Newport Bancorp shares and all shareholders who elected to receive SI Financial common stock will receive a pro rata portion of the available SI Financial shares plus cash for those shares not converted into SI Financial common stock.

If Stock Is Undersubscribed: If Newport Bancorp shareholders elect to receive fewer shares of SI Financial common stock than SI Financial has agreed to issue in the merger, then all Newport Bancorp shareholders who have elected to receive SI Financial common stock will receive SI Financial common stock and those shareholders who elected to receive cash or who have made no election will be treated in the following manner:

If the number of shares held by Newport Bancorp shareholders who have made no election is sufficient to make up the shortfall in the number of SI Financial shares that SI Financial is required to issue, then

Table of Contents

all Newport Bancorp shareholders who elected cash will receive cash, and those shareholders who made no election will receive both cash and SI Financial common stock in such proportion as is necessary to make up the shortfall.

If the number of shares held by Newport Bancorp shareholders who have made no election is insufficient to make up the shortfall, then all Newport Bancorp shareholders who made no election will receive SI Financial common stock and those Newport Bancorp shareholders who elected to receive cash will receive cash and SI Financial common stock in such proportion as is necessary to make up the shortfall.

Notwithstanding these rules, as described under *Tax Consequences of the Merger*, it may be necessary for SI Financial to reduce the number of shares of Newport Bancorp common stock that will be converted into the right to receive cash and correspondingly increase the number of shares of Newport Bancorp common stock that will be converted into SI Financial common stock. If this adjustment is necessary, shareholders who elect to receive cash or a mixture of cash and stock may be required on a pro rata basis to receive a greater amount of SI Financial common stock than they otherwise would have received.

No guarantee can be made that you will receive the amounts of cash and/or stock you elect. As a result of the allocation procedures and other limitations outlined in this document and the agreement and plan of merger, you may receive SI Financial common stock or cash in amounts that vary from the amounts you elect to receive.

Background of and Newport Bancorp's Reasons for the Merger

Background of the Merger. The board of directors and management of Newport Bancorp, as part of its ongoing oversight of Newport Federal and with the interests of its shareholders in mind, regularly analyzed Newport Federal's financial prospects and reviewed strategic options. As part of this process, consideration was given to Newport Bancorp's prospects as an independent entity versus that of merging with another institution. In this regard, the board of directors authorized Mr. McCarthy to engage in informal discussions with potential strategic partners from time to time.

In February 2012, as part of its annual business planning and budgeting efforts, Newport Bancorp senior management met with its business planning consultant, Northeastern Banking Services Group (NBSG), to discuss the viability of Newport Bancorp's long term business plan and discuss possible changes to its plan and operations to improve the profitability of Newport Bancorp in the context of the market, economic and regulatory environments facing financial institutions operating in Newport Bancorp's market area. During this planning process NBSG worked with Newport Bancorp to analyze its potential financial performance under various economic environments and employing different growth strategies within those environments. Management concluded that Newport Bancorp's most significant opportunities to enhance future earnings were to increase its commercial business lending capabilities as a means to improve its overall scale and efficiencies. As part of the planning process, management assessed its current lending staff and infrastructure and the additions that would be needed to establish a successful commercial lending capability in Newport Bancorp's market. Management also considered the recent increase in community banks and savings institutions emphasizing the origination of commercial loans and the competition it could face in that regard. Based on that assessment, management determined that adding a successful commercial lending program would require material expenditures related to the addition of experienced commercial lenders, adequate underwriting and credit administration support staff, and enhancements to Newport Bancorp's compliance and risk management capabilities that would be required to adequately monitor the increased risk associated with commercial lending. Management also concluded that in order for Newport Bancorp to improve its overall efficiency, it would likely be necessary to increase its scale and product offerings, which in turn would result in additional material expenditures related to infrastructure improvements and additional personnel.

Table of Contents

At such time, management and NBSG also began looking at other strategic alternatives to achieving such improvements and efficiencies on a stand-alone basis, including merging or partnering with a larger organization with greater scale, infrastructure and product offerings that could take advantage of Newport Bancorp's franchise, customer base and market area.

In June 2012, NBSG met at a special meeting with Newport Bancorp's full board of directors and senior management to review the business plan and financial prospects of Newport Bancorp and assess strategic alternatives and potential strategic partners in Rhode Island and contiguous markets. At this meeting, Mr. McCarthy was authorized by the board to informally contact a select group of institutions and ascertain their general interest in pursuing a possible strategic partnership with Newport Bancorp. During July and August 2012, Mr. McCarthy met or had discussions with four financial institutions to assess on a preliminary basis whether they would have any interest in a partnership with Newport Bancorp.

Shortly after these preliminary contacts, the board of directors and management of Newport Bancorp met with Sandler O'Neill to review Newport Bancorp's strategic alternatives and options, and to advise Newport Bancorp as to the current state of the financial institution merger market and to analyze potential merger partners with regard to their attractiveness to Newport Bancorp, capacity to consummate a merger transaction and ability to best utilize Newport Bancorp's franchise. Sandler O'Neill presented its analysis to the Newport Bancorp board of directors and senior management at a meeting in September 2012. At such meeting the board determined that there were several potential merger partners that could be an attractive fit for Newport Bancorp but did not authorize management or Sandler O'Neill to make any additional contacts or solicitations at such time.

On October 3, 2012, Sandler O'Neill and Newport Bancorp's special counsel, the law firm of Luse, Gorman, Pomerenk and Schick, P.C. (Luse Gorman) met with Newport Bancorp's board of directors and senior management to discuss the board's fiduciary duties in the context of a strategic transaction and to discuss the various methods, processes and timing involved with a merger transaction. At this meeting, based on the prior information provided by Sandler O'Neill and management, the board focused on several potential merger partners and determined that several of these possible partners should be solicited to gauge their interest in a merger with Newport Bancorp. The board also authorized management to work with Newport Bancorp's advisors to prepare a confidential information memorandum and confidentiality agreement and to solicit the interest of 10 selected potential merger partners.

During late October through early December 2012, Sandler O'Neill solicited the interest of the 10 identified potential merger partners which resulted in 7 executing confidentially agreements and only one, Bank A, submitting a non-binding letter of interest. Two other institutions, including SI Financial, declined to submit proposals due to their belief that the level of their proposed pricing would not be consistent with Newport Bancorp pricing expectations.

On November 20, 2012, the CEO of Bank A met with Mr. McCarthy. At this meeting, the terms of the possible merger between the companies were discussed in general.

On December 13, 2012, the CEO of Bank A contacted Mr. McCarthy to restate his company's interest in pursuing a strategic combination and, on December 14, 2012, Bank A submitted a non-binding indication of interest to Newport Bancorp. The letter reflected Bank A was prepared to offer \$16.00 per share payable in stock of Bank A, subject to further due diligence.

On December 19, 2012, the Newport Bancorp board of directors met to discuss the results of the merger solicitation efforts and the terms of Bank A's proposal. In attendance at the meeting were representatives from Sandler O'Neill and Luse Gorman. Sandler O'Neill presented an in depth analysis of Bank A and Newport Federal, including Bank A's trading and acquisition history, and reviewed Bank A's proposal and a pro forma analysis of the combined institutions. At the meeting, the Newport Bancorp board reviewed and discussed the various factors that could have contributed to the low level of interest in Newport Bancorp resulting from the

Table of Contents

merger partner solicitation process and discussed the current market conditions for bank mergers and acquisitions in general and in Newport Bancorp's market area. At the conclusion of the meeting, the board concluded that Bank A's proposal was not adequate and authorized Sandler O'Neill to contact the institutions, including SI Financial, that had previously indicated interest but did not submit proposals due to their concerns regarding Newport Bancorp's perceived pricing expectations and provide them another opportunity to submit a merger proposal. Following this meeting, Mr. McCarthy was contacted by Rheo Brouillard, President and Chief Executive Officer of SI Financial, to discuss a possible merger between the companies.

In a letter dated December 21, 2012, SI Financial submitted a non-binding indication of interest to Newport Bancorp. The letter reflected SI Financial was prepared to offer a range between \$17.00 and \$18.00 per share, subject to certain conditions and performance of due diligence. On December 21, 2012, senior management and the board of Newport Bancorp met to discuss and compare SI Financial's offer with that of Bank A. Attending the meeting by phone were representatives of Luse Gorman and Sandler O'Neill. Following a thorough discussion of the merits of each offer, it was decided to communicate to Bank A and SI Financial, Newport Bancorp's willingness to allow both parties access to conduct on-site due diligence and further opportunity to discuss the terms of a merger, integration issues and the prospects of the combined company.

On January 4, 2013, Mr. McCarthy and Mr. Brouillard met to discuss SI Financial's proposal and the overall merits of a strategic combination between SI Financial and Newport Bancorp.

On January 10, 2013, Mr. McCarthy and Mr. Brouillard met again, along with staff members of each institution to discuss merger integration issues and the products, services policies and procedures of each company.

On January 11 and January 16, 2013, Bank A performed its on-site due diligence review on Newport Bancorp and on January 18, 2013, SI Financial performed its on-site due diligence review on Newport Bancorp. Following the completion of their respective due diligence reviews Bank A and SI Financial both indicated that they would be submitting non-binding proposals.