WEBSTER FINANCIAL CORP
Form 11-K
June 27, 2001

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

FINANCIAL STATEMENTS AND SCHEDULE

DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

(WITH INDEPENDENT AUDITORS' REPORT THEREON)

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

[X] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the fiscal year ended December 30, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED).

Commission file number 0-15213

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Webster Bank Employee Investment Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Webster Financial Corporation
Webster Plaza
Waterbury, CT 06702
Telephone (203) 753-2921

WEBSTER BANK

EMPLOYEE INVESTMENT PLAN

FOR THE FISCAL YEAR ENDED DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

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Note: The following schedules, as required by Section 103(c)(5) of the Employee Retirement Income Security Act of 1974, are not applicable:

Schedule H, Line 4i - Schedule of Assets (Acquired and Disposed of Within Year)
Schedule H, Line 4j - Schedule of Reportable Transactions

KPMG LLP
One Financial Plaza
Hartford, CT 06103-2608

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Webster Bank:

We have audited the accompanying statements of net assets available for benefits of the Webster Bank Employee Investment Plan as of December 30, 2000 and 1999, and the related statements of changes in net assets available for benefits for each of the years in the three-year period ended December 30, 2000 and 1999 and December 31, 1998. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Webster Bank Employee Investment Plan, as of December 30, 2000 and 1999, and the changes in net assets available for benefits for each of the years in the three-year period ended December 30, 2000 and 1999 and December 31, 1998, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held at end of year is presented for purposes of additional analysis and is not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Hartford, Connecticut
June 18, 2001

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 30, 2000 AND 1999

	2000	1999
ASSETS		
Investments (Cost basis of $45,060,662 in 2000 and $31,567,658 in 1999) (Note 3)	$50,310,461	$35,935,921
Loans to Participants	1,078,658	830,653

Receivables:		
Participants	9,238	301,162
Employer	308	114,076
Cash	280,135	68,069
Total Assets	$51,678,800	$37,249,881
NET ASSETS AVAILABLE FOR BENEFITS	$51,678,800	$37,249,881

See accompanying notes to financial statements.

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

	2000	1999
ADDITIONS		
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Net Investment Income:		
Net Appreciation in Fair Value of Investments	$ 813,703	$ 1,591,691
Interest and Dividends	677,505	514,106
Net Investment Income	$ 1,491,208	$ 2,105,797
Contributions:		
Participants	4,604,841	3,773,131
Employer	1,718,392	1,375,583
Transfers from Other Plans (Note 1)	11,791,339	1,816,169
Total Additions	$19,605,780	$ 9,070,680
DEDUCTIONS		
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		

Benefits Paid to Participants	$ 5,172,626	$ 2,886,905
Miscellaneous Expenses	4,235	25,832
Total Deductions	5,176,861	2,912,737
Net Increase	$14,428,919	$ 6,157,943

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of Year	$37,249,881	$31,091,938
END OF YEAR	$51,678,800	$37,249,881

See accompanying notes to financial statements.

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WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

1. DESCRIPTION OF THE PLAN

The following brief description of the Webster Bank Employee Investment Plan (the "Plan") is provided for general information purposes only. Participants should refer to the full Plan document for a more complete description of the Plan's provisions.

(a) General

The Plan is a qualified profit-sharing plan under Section 401(a) of the Internal Revenue Code of 1986. The Plan is also subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") as amended. The Plan was initially adopted by the Board of Directors of Webster Bank's predecessor, First Federal Bank, effective as of October 1, 1984. Subsequent to this date, the Plan has been amended on various dates for reasons that include: certain legislative and regulatory changes, employer name change, plan merger, plan name change and various acquisitions. The Plan covers all eligible employees who are employed by Webster Financial Corporation ("Webster" or the "Company") and certain of its' subsidiaries. Webster D&P Holdings, Inc. ("Duff & Phelps"), a wholly-owned subsidiary of Webster, owns a 65% interest in Duff & Phelps, LLC, which maintains a separate 401(k) plan and does not participate in the Plan. To be eligible to participate in the Plan, an employee must have attained age 21 and have completed one year of service (at least 1,000 hours of service). An eligible employee may join the Plan on the first day of any calendar quarter. Participants in the Plan may change their contribution amounts up to four times per year on specific dates and cease contribution at any time during the Plan year. All investments are participant directed. Participation in the Plan is completely voluntary. Effective December 30, 1999, the Plan was amended for a change in the Plan Year. The amended "Plan Year" for the 2000 period means the plan year commenced on December 31, 1999 and ended on December 30, 2000. The amended "Plan Year" for the 1999 period, was the short plan year commenced on January 1, 1999 and ended on December 30, 1999. Prior to the amendment, the Plan Year was the full calendar year.

Webster, through its subsidiaries, Webster Bank (the "Bank"), Damman Associates, Inc. ("Damman") and Duff & Phelps, delivers financial services to individuals, families and businesses primarily in Connecticut and financial advisory services to public and private companies throughout the United States. Webster provides business and consumer banking, mortgage lending, trust and investment services and insurance services through 114 banking offices and other offices, over 200 ATM's and the internet (www.websterbank.com). Webster's online mortgage subsidiary Nowlending, LLC, at www.nowlending.com originates residential mortgages throughout the United States. Webster Bank was founded in 1935 and converted from a federal mutual to a federal stock institution in 1986.

On February 1, 2000, Webster acquired, through its subsidiary Damman, the Levine Companies ("Levine"). The Plan was amended effective April 13, 2000 to state that all services with Levine prior to the acquisition date constituted services rendered for the purpose of meeting eligibility requirements for participation under the Plan.

On April 7, 2000, Webster acquired certain branches from The Chase Manhattan Bank ("Chase"). Chase maintained The 401(k) Savings Plan of the Chase Manhattan Bank (the "Chase 401(k) Plan") for the benefit of the employees of Chase and certain of its affiliates. Effective as of the date of the acquisition, the employees

became eligible to participate in the Plan. All service by the transferred employees of Chase prior to the acquisition date constituted service rendered for the purpose of meeting eligibility requirements for participation under the Plan. Subsequently, effective as of April 18, 2000 all assets and liabilities of the Chase 401(k) Plan related to the transferred Chase employees totaling $343,552 were transferred to, and assumed by, the Plan.

On June 23, 2000, Webster acquired MECH Financial, Inc. ("Mechanics"). The Plan was amended effective June 23, 2000 to state that all services with Mechanics prior to the acquisition date constituted services rendered for the purpose of meeting eligibility requirements for participation under the Plan. Effective December 1, 2000, all assets and liabilities of the former Mechanics 401(k) Plan totaling $6,697,536 were transferred to, and assumed by, the Plan.

On August 18, 2000, Webster acquired certain branches from FleetBoston Financial Corporation ("FleetBoston") that were divested as the result of the Fleet-BankBoston merger. On the acquisition date, the employment of certain employees was transferred from FleetBoston or members of their controlled group to Webster Bank. Effective as of the date of acquisition the employees became eligible to participate in the Plan. The Plan was amended to state that all services with FleetBoston prior to the acquisition date constituted services rendered for the purpose of meeting eligibility requirements for participation under the Plan. During December 2000, net assets for the transferred employees totaling $401,625 were transferred to, and assumed by, the Plan for the transferred FleetBoston employees.

On December 1, 1999, Webster acquired New England Community Bancorp, Inc. ("NECB") and its subsidiaries. Prior to the NECB acquisition date, NECB maintained the New England Community Bancorp 401(k) Plan (the "NECB 401(k) Plan") for the benefit of the employees of NECB and certain of its affiliates. Effective as of the acquisition date, no additional contributions were made to the NECB 401(k) Plan. All service with NECB or a member of its controlled group prior to the acquisition date constituted services rendered for the purpose of meeting eligibility requirements for participation under the Plan. Subsequently, effective as of March 1, 2000 (the "Plan Merger Date"), the NECB 401(k) Plan was merged with and into the Plan, and all of the assets and liabilities of the NECB 401(k) Plan totaling $4,348,626 were transferred to and assumed by the Plan.

On May 19, 1999, Webster acquired Village Bancorp, Inc. ("Village"), the holding company for The Village Bank and Trust Company. The Plan was amended effective May 19, 1999 to state that all services with Village prior to the acquisition date constituted services rendered for the purpose of meeting eligibility requirements for participation under the Plan. Village terminated their 401(k) Plan prior to the date of acquisition.

On April 21, 1999, Webster acquired Maritime Bank and Trust Company ("Maritime"). The Plan was amended effective April 21, 1999 to state that all services with Maritime prior to the acquisition date constituted services rendered for the purpose of meeting eligibility requirements for participation under the Plan. Maritime terminated their 401(k) Plan prior to the date of acquisition.

The Plan was amended effective January 1, 1999 to add a provision for the employees of Webster Investment Services, Inc. ("WIS"). Further, effective January 1, 1999, WIS became a participating company in the Plan. Effective on and after January 1, 1999, WIS became the employer of certain individuals who were previously employed by Independent Financial Marketing Group, Inc. All services which an employee of WIS performed for Independent Financial Marketing Group, Inc. prior to their date of hire by WIS constituted services rendered for the purpose of meeting the eligibility requirements for participation under the Plan.

(b) Contributions

Employees who are members of the Plan, may make contributions of 1% through 10% of their pay on a before-tax basis. Total salary deferrals are limited to $10,500 for 2000 and $10,000 for 1999 and 1998 Plan years. The Employer contributes a matching contribution to the Plan equal to 50% of the first 6% of a participant's salary deferral contribution. The Bank may also make a discretionary contribution to the Plan on behalf of employee participants. The investment alternatives available under the Plan for the 2000 plan year are summarized below:

American New Perspective Fund:	This fund invests primarily in the common stocks of companies based around the world.
American Fundamental Investors Fund:	This fund invests primarily in diversified common stocks.
American Bond Fund of America:	This fund invests in diversified bond fixed income securities.
Fidelity Advisor Growth Opportunities Fund: **	This fund invests in common stocks of smaller to medium-sized companies. The fund may also invest in debt securities and cyclicals.
Paine Webber Stable Value:	This fund invests in units of the Guaranteed Investment Contract (GIC) portfolio under the PaineWebber Trust Company pooled trust.
Webster Financial Corporation Common Stock: *	This fund invests 100% in the common stock of Webster.
Evergreen Small Cap Equity Income Fund: **	This fund invests primarily in small growth companies that have higher than average yields. The companies generally have a total market capitalization less than $500 million.

Evergreen Growth & Income Fund: **	This fund invests primarily in investment alternatives which seek to provide capital growth and income and diversification.

Pioneer Growth Shares: **	This fund invests primarily in common stocks and other equity securities of U.S. Companies that have above average potential for earnings and revenue growth.
Dreyfus Premier Balanced Fund: **	This fund invests in a diversified mix of stocks and investment grade bonds of both U.S. and foreign issuers.
Mass Investors Growth Stock Fund:	This fund invests primarily in the common stocks of U.S. and foreign companies.
Munder Index 500 Fund: **	This fund invests primarily in stocks in the S&P 500.

* Indicates party-in-interest to the Plan.
** See subsequent events

(c) Vesting

All amounts contributed to the 401(k) Plan by the participant and employer, are fully vested and non-forfeitable at all times. The participant's vested balance is affected by any investment gains or losses that their account incurs.

(d) Payment of Benefits

Under the Plan, a participant's "normal retirement date" is the date age 65 is attained. Payment of a participant's account balance begins not later than 60 days following the end of the Plan year during which retirement occurs. Payment options available under the Plan are: Single Lump Sum; Lump Sum/Installment; Installment; Joint and Survivor Annuity; Life Annuity and Life Annuity with Term Certain Guaranteed. If a participant's employment with the Bank terminates before normal retirement date, the participant is always 100% vested for their account balance. In the event of termination, if the participant's account balance does not, and has never exceeded $5,000, payment will be an automatic lump sum. If the account balance exceeds or has ever exceeded $5,000, then the participant may elect to defer payment not later than when age 65 is reached. In the event of death, while a participant is actively employed, the account balance will be paid to the designated beneficiary or beneficiaries. In the event of total and permanent disability, a participant will receive payment of their account balance as if retirement had occurred.

(e) Loans

Employees have the ability to borrow up to 50% of their account balances, not to exceed $50,000. Interest is paid by the Plan participants to their account at prevailing interest rates through payroll deductions. Loans must generally be repaid within five years or, if earlier, by normal retirement date of the borrower.

(f) Rollovers

Under the Plan, transfers from other tax-qualified retirement plans are permitted even if the employee is not currently participating in the Plan. Rollovers must be deposited to the Plan trust fund within 60 days of receipt. All rollovers will be invested and distributed in accordance with the rules of the Plan.

(g) Hardship Withdrawals

Hardship withdrawals are permitted under the Plan for specific reasons when the participant has met conditions required by the Plan.

(h) Domestic Relations Orders

The Plan Administrator may be required by law to recognize obligations the participant incurs as a result of court-ordered support or alimony payments. The Plan Administrator must honor a qualified domestic relations order ("QDRO"). If a QDRO is received by the Plan Administrator, all or a portion of the Plan participant's account balance may be used to satisfy the obligation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Plan:

(a) Basis of Accounting

The accompanying financial statements of the Plan are prepared in accordance with the accrual basis of accounting.

(b) Purchases and Sales Transactions

Transactions are recorded on a trade-date basis.

(c) Valuation of Assets

Investments are stated at current market values. Quoted market values are used to value investments. Loans to participants are stated at amortized cost, which approximates their market values.

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)

DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

(d) New Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133"). SFAS No 133 requires that an entity recognize all derivatives and measure those instruments at fair value.

SFAS No. 133 is effective for fiscal year beginning after June 15, 2000. Pursuant to SFAS No 137, the Plan is required to adopt SFAS No. 133 effective January 1, 2001. (Management has determined that SFAS No. 133 will not have an impact on the Plan financial statements).

(e) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(f) Administrative Expenses

Administrative fees of the Plan are in part paid by the Bank. Administrative fees for 2000 totaled $152,392 of which $148,157 was directly paid by the Bank and $4,235 were paid by the Plan. The $4,235 amount paid by the Plan represents loan administration costs charged directly to the Plan's investment funds. Administrative fees paid for the 1999 Plan Year were $123,525, of which $97,693 was paid by the Bank and $25,832 was paid by the Plan. Administrative fees paid for the 1998 Plan Year were $84,611, of which $79,823 was paid by the Bank and $4,788 was paid by the Plan.

3. INVESTMENTS

The Plan's assets are invested in various mutual funds and Webster common stock through Paine Webber, the Plan's investment advisor and USI Consulting Group, the Plan's record keeper. The Plan is sponsored and administered by the Bank. Plan participants have the ability to direct their account balances to several selected mutual funds or Webster common stock. In September 1999, the American Institute of Certified Public Accountants issued Statement of Position 99-3, "Accounting for and Reporting of Certain Defined Contribution Plan Investments and Other Disclosure Matters (SOP 99-3)." SOP 99-3 simplified the disclosure for certain investments and is effective for plan years ending after December 15, 1999. The Plan adopted SOP 99-3 during the Plan year ended December 30, 1999. Accordingly, information previously required to be disclosed about participant-directed fund investment programs is not presented in the Plan's 2000 and 1999 financial statements.

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)

DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

The fair value of fund investments that exceed 5% or more of the Plan's net assets available for benefits at December 30, 2000 and 1999 is as follows:

	2000	1999
American New Perspective Fund	$ 4,487,849	$ 3,813,116
American Fundamental Investors Fund	8,344,718	8,006,753
American Bond Fund of America	3,273,633	3,026,891
Fidelity Advisor Growth Opportunities Fund	5,252,704	5,504,480
Webster Financial Corporation Common Stock*	15,991,753	7,998,084
Paine Webber Stable Value Fund	4,700,653	3,672,997
Evergreen Growth & Income Fund	4,183,846	3,325,726

* Indicates party-in-interest to the Plan.

During 2000 and 1999, the Plan's net investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $813,703 and $1,591,691, respectively, as follows:

	2000	1999
Mutual Funds	$ (1,342,608)	$ 2,872,292
Webster Stock*	2,156,311	(1,280,601)
	$ 813,703	$ 1,591,691

* Indicates party-in-interest to the Plan.

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)

DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

4. PLAN TERMINATION

Although the Bank has not expressed any intent to terminate the Plan Agreement, it has the right to do so at any time. The rights of all employees to benefits accrued under the Plan as of the date of such termination, partial termination or discontinuation of contribution are fully vested and will be nonforfeitable. After providing for the expenses of the Plan, the remaining assets of the Plan will be allocated by the Human Resources Committee appointed by the Board of Directors.

5. TAX STATUS

The Internal Revenue Service has determined and informed the Bank by a letter dated June 5, 1997, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). Accordingly, no provision for income taxes has been made in the accompanying financial statements. It is the opinion of the Plan administrator, that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

6. AMENDMENTS

The Plan was amended during 2000 as follows:

(1) Effective April 7, 2000, the Plan was amended to add provisions for the transferred employees of The Chase Manhattan Bank branch acquisition. Refer to Note 1 (a) of this document for further information.

(2) Effective April 13, 2000, the Plan was amended to add provisions for the employees of the Levine Companies ("Levine"). Refer to Note 1(a) of this document for further information.

(3) Effective June 23, 2000, the Plan was amended to add provisions for the employees of MECH Financial, Inc. ("Mechanics"). Refer to Note 1(a) of this document for further information.

(4) Effective August 18, 2000, the Plan was amended to add provisions for the transferred employees of the FleetBoston Financial Corporation branch acquisition. Refer to Note 1(a) of this document for further information.

The above information is meant to provide only a brief description of amendments to the Plan during the 2000 plan year. The Webster Bank Employee

Investment Plan document should be referenced.

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS - (CONTINUED)

DECEMBER 30, 2000, 1999 AND DECEMBER 31, 1998

7. SUBSEQUENT EVENTS

(1) Effective January 1, 2001, Evergreen Small Cap Value, Evergreen Growth & Income Fund, Pioneer Growth Shares, Fidelity Advisors Growth Opportunity, Munder Index 500 and Dreyfus Premier Balanced Fund investment options were eliminated and replaced by Dreyfus Founders Discovery, Seligman Capital, MFS Mass Investors Growth, Growth Fund of America and AIM Balanced Fund, respectively. The change in investment options was made on the advice of the Plan's financial advisor, PaineWebber.

(2) Effective January 1, 2001, the Record Keeper for the Plan was changed to PFPC from USI Consulting Group.

(3) On January 5, 2001, Webster acquired through Damman, Musante Reihl Associates, Inc. ("Musante"). Effective as of January 1, 2001, the Plan was amended to provide provisions for the employees of Musante. All service rendered by employees of Musante prior to the acquisition date constitutes service rendered for the purpose of meeting eligibility requirements for participation under the Plan. Musante became members of the Plan's controlled group effective April 1, 2001.

(4) On March 14, 2001, Webster acquired Center Capital Corporation ("Center Capital"). Effective as of April 1, 2001, the Plan was amended to provide provisions for the employees of Center Capital. All service rendered by employees of Center Capital prior to the acquisition date constitutes service rendered for the purpose of meeting eligibility requirements for participation under the Plan. Center Capital became members of the Plan's controlled group effective on March 14, 2001.

(5) On April 5, 2001, Webster acquired through Damman, Wolf Zackin & Associates, Inc. ("Wolf Zackin"), and its sister company Benefit Plans Design & Administration, Inc. ("Benefit Plans"). Effective June 25, 2001, the Plan was amended to provide provisions for the employees of Wolf Zackin and Benefit Plans. All service rendered by employees of Wolf Zackin and Benefit Plans prior to the acquisition date constitutes service rendered for the purpose of meeting eligibility requirements for participation under the Plan. Wolf Zackin and Benefit Plans will become members of the Plan's controlled group effective July 1, 2001.

(6) In April 2001, William J. Healy was appointed Executive Vice President and Chief Financial Officer of Webster Financial Corporation as a permanent replacement for John V. Brennan who

died in May 2000. William J. Healy also replaced John V. Brennan as an Administrator to the Plan.

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WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

SCHEDULE H - LINE 4I

DECEMBER 30, 2000

Identity of Issue	Number of Shares Held	Curren Value
American New Perspective Fund	186,604.935 shares; net asset value per share $24.05	$ 4,487,
American Fundamental Investors Fund	267,802.254 shares; net asset value per share $31.16	8,344,
American Bond Fund of America	255,952.537 shares; net asset value per share $12.79	3,273,
Fidelity Advisor Growth Opportunities Fund	153,812.706 shares; net asset value per share $34.15	5,252,
Webster Financial Corporation Common Stock*	564,805.000 shares; net asset value per share $28.31	15,991,
Paine Webber Stable Value Fund	338,541.782 shares; net asset value per share $13.885	4,700,
Evergreen Small Cap Equity Income Fund	57,241.835 shares; net asset value per share $17.57	1,005,
Evergreen Growth & Income Fund	157,287.440 shares; net asset value per share $26.60	4,183,
Pioneer Growth Shares	10,279.589 shares; net asset value per share $17.21	176,
Dreyfus Premier Balanced Fund	35,477.518 shares; net asset value per share $14.59	517,
Mass Investors Growth Stock Fund	77,120.504 shares; net asset value per share $17.14	1,321,
Munder Index 500 Fund	38,172.976 shares; net asset value per share $27.59	1,053,
Total Investments		$ 50,310,

Loans to Participants*	$ 1,078,

* Indicates party-in-interest to the Plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the administrative committee of the Plan has duly caused this annual report to be signed by the undersigned thereunto duly authorized.

WEBSTER BANK
EMPLOYEE INVESTMENT PLAN

Date: June 27, 2001

By: /s/ R. David Rosato

R. David Rosato
Member of the Retirement
Plan Committee

Date: June 27, 2001

By /s/ Renee P. Seefried

Renee P. Seefried
Member of the Retirement
Plan Committee

EXHIBIT INDEX

Exhibit Number	Description
23	Consent of KPMG LLP