

BUREAU OF FINANCIAL INSTITUTIONS
Department of Professional and Financial Regulation
State of Maine



ORDER APPROVING
APPLICATION OF
BANGOR SAVINGS BANK TO REORGANIZE
INTO A MUTUAL HOLDING COMPANY STRUCTURE

Bangor Savings Bank, Bangor, Maine applied to the Superintendent of the Maine Bureau of Financial Institutions (the “Superintendent”), pursuant to 9-B M.R.S.A. Chapter 105, to reorganize into a mutual holding company structure whereby Bangor Savings Bank will become an investor-owned universal bank (“Bangor Stock Bank”) wholly-owned by Bangor Bancorp, MHC, a Maine-chartered mutual holding company.¹ Substantially all of the assets and liabilities, including all of the deposit accounts, of Bangor Savings Bank will become assets and liabilities of Bangor Stock Bank, which will be known as Bangor Savings Bank.

The application was accepted for processing on January 2, 2007. Public notice, as required by Title 9-B M.R.S.A. 252.2(B), was provided by publication, posting on the Bureau’s website and e-mail to interested parties affording them an opportunity to either submit written comments or request a hearing. No comments were received by the Bureau during the public comment period ending February 7, 2007.

A Principal Bank Examiner of the Maine Bureau of Financial Institutions conducted an investigation of this transaction. All evidence and pertinent material that were considered by the Examiner were also considered by the Superintendent in reaching his decision.

This is merely an internal reorganization that will have no effect on the management, capital, financial condition or operations of Bangor Savings Bank. The reorganization is intended to provide greater flexibility to structure and finance the expansion of operations, including

¹ The reorganization involves the following steps:

1. Bangor SB organizes an investor-owned universal bank (“Bangor Stock Bank”) as a wholly-owned subsidiary;
2. Bangor SB transfers substantially all of its assets and liabilities, including all insured liabilities, and its name to Bangor Stock Bank in exchange for all the outstanding shares of Bangor Stock Bank; and
3. Bangor SB amends and restates its charter and bylaws to become a Maine-chartered mutual holding company in the name of “Bangor Bancorp, MHC” which will wholly own Bangor Stock Bank.

Order Approving Application of Bangor Savings Bank to Reorganize into a Mutual Holding Company Structure
Page 2

potential acquisitions of other financial institutions. Last, the reorganization also preserves the benefits of the mutual form of organization. The mutual holding company must own at least 51% of the Stock Bank. There are no plans to issue stock to depositors or to the public at this time and any future issuance of stock requires the Superintendent's prior written approval.

The terms and conditions of the transaction appear equitable to all parties. The proposed merger should contribute to the strength of Bangor Savings Bank and hence to the banking needs of the Bangor market. Therefore, the application of Bangor Savings Bank to reorganize into a mutual holding company structure is approved, subject to the appropriate approvals of the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System. The transaction shall be completed within one year of the effective date of this Order, unless a written extension is granted by the Superintendent.

Pursuant to Section 241(9) of the Maine Banking Code, permission is also granted to Bangor Bancorp, MHC to use the term "banc" in its name.

Any person aggrieved by this Order shall be entitled to a judicial review of the Order in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, subchapter VII.

By order of the Superintendent, effective March 17, 2007.

Lloyd P. LaFountain III
Superintendent

Gardiner, Maine
February 15, 2007