

BUREAU OF FINANCIAL INSTITUTIONS
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
STATE OF MAINE

ORDER APPROVING APPLICATION OF SANFORD INSTITUTION FOR
SAVINGS TO REORGANIZE INTO A MUTUAL HOLDING COMPANY
STRUCTURE

Sanford Institution for Savings, Sanford, 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 Sanford Institution for Savings will become an investor-owned universal bank ("Stock Bank"), which will be wholly-owned by SIS Bancorp, Inc., an intermediary holding company which will be wholly-owned by SIS Bancorp, MHC, a Maine-chartered mutual holding company. Substantially all of the assets and liabilities, including all of the deposit accounts, of Sanford Institution for Savings will become assets and liabilities of Stock Bank.

The application was accepted for processing on September 2, 2008. 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 October 8, 2008.

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 Sanford Institution for Savings. The reorganization is intended to better position the bank to compete and to respond to regulatory developments. Additionally, the reorganization will provide greater flexibility in making acquisitions, expanding operations and in accessing funds (capital and borrowings). Last, the reorganization also preserves the benefits of the mutual form of organization. The stock holding company (SIS Bancorp, Inc.) must own 100% of the Stock Bank, and the mutual holding company (SIS Bancorp, MHC) must own at least 51% of the stock holding company. 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 Sanford Institution for Savings and hence to the banking needs of the markets served by the bank. Therefore, the application of Sanford Institution for Savings to reorganize into a mutual holding company structure as detailed in its application 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 SIS Bancorp, Inc. and SIS Bancorp, MHC to use the term "banc" in their respective names.

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 November 13, 2008.

/s/Lloyd P. LaFountain III
Superintendent
Gardiner, Maine
October 14, 2008