

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

ORDER APPROVING APPLICATION OF SKOWHEGAN SAVINGS BANK,
SKOWHEGAN, MAINE TO PURCHASE CERTAIN OF THE ASSETS AND
ASSUME CERTAIN OF THE DEPOSIT LIABILITIES OF FIVE BRANCHES OF
CAMDEN NATIONAL BANK, CAMDEN, MAINE

Skowhegan Savings Bank, Skowhegan, Maine ("SSB") applied to the Superintendent of the Maine Bureau of Financial Institutions ("the Superintendent"), pursuant to Title 9-B MRS Chapter 35 to purchase certain assets and assume certain liabilities of five branches being sold by Camden National Bank, Camden, Maine ("CNB"). The five branches are located in Farmington, Phillips, Rangeley, Stratton, and Kingfield, Maine.

The application was accepted for processing on June 24, 2013. Public notice, as required by Title 9-B MRS 252.2(B), was provided by publication, posted on the Bureau's website and sent to interested parties affording them an opportunity to either submit written comments or request a hearing. The Bureau received no comments during the public comment period ending July 28, 2013.

A Principal Bank Examiner of the Maine Bureau of Financial Institutions conducted an investigation of this transaction by evaluating the criteria and factors identified in Title 9-B 253. All evidence and pertinent material that were considered by the Examiner were also considered by the Superintendent in reaching his decision.

SSB is a \$464 million asset mutual savings bank that operates eleven offices in central and western Maine. SSB offers a broad spectrum of consumer and business banking. CNB, a wholly-owned subsidiary of Camden National Corporation, is a \$2.6 billion asset commercial bank operating forty-nine offices across the State of Maine. The five subject branches, all located in Franklin County, have approximately \$83 million in deposits.

Franklin County is located in western Maine. The proposed transaction replaces one competitor in the market with another; there is no change in the market concentration level.

SSB has the managerial and financial resources to operate the additional five branches without adversely affecting its overall condition. The subject

branches are located westerly of SSB's existing branch footprint, in a similarly rural market. The acquisition should contribute to the long-term strength of SSB and to the financial needs and convenience of the Franklin County market. Generally, there are not significant differences in the traditional banking products and services offered.

The Bureau's analysis concludes that the proposed branch acquisition will not have a significantly adverse competitive effect in the Franklin County market and that SSB has satisfactorily met other statutory application requirements. Therefore, the application of SSB to acquire the five Franklin County CNB branches is approved. The transaction shall be completed within one year of the effective date of this Order, unless a written extension is granted by the Superintendent.

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 September 4, 2013.

/s/ Lloyd P. LaFountain III
Superintendent
Gardiner, Maine
August 5, 2013