April 3, 2007

VIA FACSIMILE AND CERTIFIED MAIL RETURN RECEIPT REQUESTED

Board of Directors
Bangor Savings Bank
3 State Street
Bangor, Maine 04401

Dear Members of the Board:

The Notice to effect a mutual holding company reorganization with a merger to facilitate a conversion from mutual form to stock form filed on behalf of Bangor Savings Bank, Bangor, Maine (Bank) has been reviewed by the Federal Deposit Insurance Corporation (FDIC) pursuant to the FDIC’s regulations at 12 C.F.R. Sections 303.160-303.163 and other pertinent FDIC regulations. Based on the information presented and representations made, we do not object to the proposal.

Enclosed is our Order and Basis for Corporation Approval (Order) for the applications filed on behalf of Bangor Savings Bank in conjunction with the conversion transaction, including considerations of deposit insurance and the proposed merger. Our approval is subject to the conditions stated in the Order, some of which must be met on an ongoing basis.

Please advise the Boston Area Office in writing when the proposed transaction has been consummated. If an extension of the time limit included in the Order is required, a letter requesting a specific extension of the limitation including reasons therefore should be submitted to the Boston Area Office.

Sincerely,

/SP/
Christopher J. Spoth
Senior Deputy Director

Enclosure
cc: Richard A. Schaberg
Thacher Proffitt & Wood
1700 Pennsylvania Avenue, NW
Suite 800
Washington, DC 20006
FEDERAL DEPOSIT INSURANCE CORPORATION

Bangor Savings Bank
Bangor, Penobscot County, Maine

Applications for Federal Deposit Insurance and Consent to Merge

ORDER AND BASIS FOR CORPORATION APPROVAL

Pursuant to Section 5 and Section 18(c) and other provisions of the Federal Deposit Insurance Act (FDI Act), applications have been filed on behalf of Bangor Savings Bank, Bangor, Maine, (Mutual Bank), currently a state-chartered mutually-owned Deposit Insurance Fund member with total resources of $2,001,980,000 and total deposits of $1,482,849,000 as of December 31, 2006, for the FDIC’s consent to merge with Bangor Savings Bank (in formation), Bangor, Maine (Stock Bank), a proposed new, interim, investor-owned Maine universal bank. Also, an application for federal deposit insurance for the Stock Bank has been filed.

This transaction is to effect the Mutual Bank’s plan of reorganization which, solely to facilitate such undertaking, provides for:

1. Mutual Bank will establish Bangor Savings Bank (in formation), a Maine-chartered universal bank (Stock Bank).

2. Mutual Bank will transfer substantially all of its assets and liabilities to the Stock Bank, including all insured liabilities, and Mutual Bank’s name in exchange for all of the issued and outstanding shares of common stock of the Stock Bank.

3. Mutual Bank will concurrently amend and restate its charter and bylaws pursuant to the Maine Banking Code to become the charter and bylaws of a Maine-chartered mutual holding company, to be known as Bangor Bancorp, MHC (the MHC), which will wholly own the Stock Bank.

Upon consummation of the reorganization, the deposits of the Bangor Savings Bank will continue to be insured under the Deposit Insurance Fund. However, due to the structure of the transaction, specifically, the transfer of assets and deposit liabilities, federal deposit insurance for the Stock Bank is necessary.

On the effective date of the Reorganization, the Stock Bank will be the wholly-owned subsidiary of the Mutual Holding Company. The Mutual Holding Company will be capitalized with approximately $250,000. An application for the establishment of the Mutual Holding Company has been approved by the Federal Reserve Bank of Boston, and the universal stock bank charter was approved by the Maine Bureau of Financial Institutions. The resultant bank will operate with the title of Bangor Savings Bank, Bangor, Maine. Following the consummation of the merger, the resultant bank will
operate the same banking business, with the same management, at the same locations
now being served by the Mutual Bank. The proposed transaction, per se, will not alter
the competitive structure of banking in the market served by the Mutual Bank. The
resultant bank’s principal office will be at 3 State Street, Bangor, Maine. Notice of the
proposed transaction, in a form approved by the FDIC, has been published pursuant to the
FDI Act.

A review of available information, including the Community Reinvestment Act (“CRA”)
Statement of the proponent, disclosed no inconsistencies with the purposes of the CRA.
The resultant institution is expected to continue to meet the credit needs of its entire
community, consistent with the safe and sound operation of the institution.

In connection with the applications, the FDIC has taken into consideration the financial
and managerial resources and prospects of the proponent bank and the resultant bank, the
bank’s compliance with the Bank Secrecy Act, and the convenience and needs of the
community to be served. In connection with the application for deposit insurance, the
FDIC has taken into consideration the financial history and condition, adequacy of the
capital structure, earnings prospects, general character and fitness of management, risk to
the insurance fund, convenience and needs of the community, and consistency of
corporate powers. Having found favorably on all statutory factors and having considered
other relevant information, including the report on competitive factors furnished by the
Attorney General of the United States, it is the FDIC’s judgment that the applications
should be and hereby are approved, subject to the following conditions:

1. That unless prior notice is provided to and non-objection is received from the
FDIC, no shares of the stock of Bangor Savings Bank shall be sold, transferred or
otherwise disposed of, to any persons (including any Employee Stock Ownership
Plan) other than Bangor Bancorp, MHC.

2. That, prior to a sale, transfer or other disposition of any shares of Bangor Savings
Bank, by Bangor Bancorp, MHC to any person (including any Employee Stock
Ownership Plan), or a conversion of Bangor Bancorp, MHC to stock form,
Bangor Savings Bank will provide written notification to the FDIC and provide
the FDIC with copies of all documents filed with the state and Federal banking
and/or securities regulators in connection with any sale, transfer, disposition or
conversion:

3. That, should any shares of stock of Bangor Savings Bank or Bangor Bancorp,
MHC, be issued to persons other than the Bangor Bancorp, MHC, any dividends
waived by Bangor Bancorp, MHC, must be retained by Bangor Savings Bank and
segregated, earmarked, or otherwise identified on its books and records; such
amounts must be taken into account in any valuation of the institution and
factored into the calculation used in establishing a fair and reasonable basis for
exchanging shares in any subsequent conversion of the Bangor Bancorp, MHC to
stock form; such amounts shall not be available for payment to or the value
thereof transferred to minority shareholders, by any means including through dividend payments or at liquidation.

4. That, any change in proposed management, including the board of directors or proposed ownership (ten percent or more of the stock and new acquisitions of, or subscriptions to, ten percent or more of the stock), will render this approval null and void unless such proposal is approved by the FDIC prior to the consummation of the proposed transaction;

5. That the proposed transaction may not be consummated later than six months after the date of this Order unless such period is extended for good cause by the Corporation; and

6. That until the proposed transaction is consummated, the FDIC shall have the right to alter, suspend, or withdraw its approval should any interim development be deemed to warrant such action.

By Order of the Director of the Division of Supervision and Consumer Protection pursuant to the delegated authority of the Board of Directors.

Dated at Washington, D.C., this 3rd day of April, 2007.

/S/

Christopher J. Spohn
Senior Deputy Director