



Federal Deposit Insurance Corporation
550 17th St. NW Washington DC, 20429

Division of Risk Management Supervision

September 4, 2015

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Board of Trustees
Biddeford Savings Bank
245 Main Street
Biddeford, Maine 04005

RE: Notice of Intent to Convert to Stock Form and Interim Merger Application

Dear Board Members:

On May 29, 2015, Biddeford Savings Bank, Biddeford, Maine (Bank), filed with FDIC a notice of intent to convert to stock form (Notice) and a Bank Merger Act application. The Notice was reviewed by the Federal Deposit Insurance Corporation (FDIC) pursuant to the FDIC's Rules and Regulations. Based on the information presented and representations made, the FDIC poses no objection to the proposed conversion, subject to the conditions set forth in the attached Order and Basis for Corporation Approval (Order) approving the Bank Merger Act application.

Please provide the Boston Area Office (BAO) with the following documents:

- Written evidence that the proposed conversion transaction was approved by a vote of at least a majority of the Bank's depositors and stakeholders who are entitled to vote on the conversion, and
- Written evidence that all necessary and final approvals regarding the proposed conversion transaction and the merger have been received from the appropriate Federal and state authorities.

If an extension of the time limit in the Order is required, a letter requesting a specific extension of the limitation, and the reasons for such extension, should be submitted to FDIC Regional Director John F. Vogel at 350 Fifth Avenue, Suite 1200, New York, New York 10118.

Additionally, please notify the BAO in writing when the proposed transactions have been consummated. Should you have any questions, please contact Case Manager Ellen T. Kosmicki at (781) 794-5534.

Sincerely,

/s/

James C. Watkins
Senior Deputy Director

Enclosure: Order and Basis for Corporation Approval

cc: Megan McKinney
Luse Gorman, PC
5335 Wisconsin Avenue, N.W. Suite 780
Washington, D.C 20015

Honorable Lloyd P. LaFountain, III
Superintendent
Maine Bureau of Financial Institutions
36 State House Station
Augusta, Maine 04333-0036

Maureen B. Savage – Vice President
Federal Reserve Bank of Boston
600 Atlantic Avenue H-3
Boston, Massachusetts 02210

FEDERAL DEPOSIT INSURANCE CORPORATION

Biddeford Savings Bank
Biddeford, Maine

Application for Consent to Merge

ORDER AND BASIS FOR CORPORATION APPROVAL

Pursuant to Section 18(c) of the Federal Deposit Insurance (FDI) Act, Biddeford Savings Bank, Biddeford, Maine (Biddeford or Bank), currently a state-chartered, mutually owned Deposit Insurance Fund (DIF) member with total assets of \$399,653,000 and total deposits of \$291,418,000 as of June 30, 2015, filed an application for the FDIC's consent to merge (Application) with Mechanics Interim Three Savings Bank (Interim Three). The Application was filed in conjunction with a Notice of Intent to Convert to Stock Form (Notice) pursuant to the FDIC's Rules and Regulations.

The transaction is to effect Biddeford's shared plan of reorganization (Plan) entered into by Biddeford and Mechanics Savings Bank, Auburn, Maine (Mechanics), currently a state-chartered, mutually owned DIF member with total assets of \$371,224,000 and total deposits of \$260,613,000, to become, following reorganizations, separate wholly owned subsidiaries under a common mutual holding company structure. The Plan, solely for the purposes of such undertaking, provides for:

Step 1: Mechanics will organize Mechanics Interim One Savings Bank (Interim One), an interim Maine-chartered, investor-owned universal bank, as a wholly owned subsidiary and will constructively transfer a substantial part of its assets and liabilities to Interim One.

Step 2: Interim One will organize Maine Community Bancorp, Inc. (Stock Holding Company), a stock holding company organized under Maryland law, as a wholly owned subsidiary.

Step 3: Interim One will organize Mechanics Interim Two Savings Bank (Interim Two) as a separate wholly owned Maine-chartered, investor-owned universal bank subsidiary and Interim One will constructively transfer the same bank assets and liabilities to Interim Two.

Step 4: Interim One will organize Mechanics Interim Three Savings Bank (Interim Three) as a separate wholly owned Maine-chartered, investor-owned universal bank subsidiary.

Step 5: Mechanics will convert to the capital stock form of organization by exchanging its charter for that of a Maine-chartered, investor-owned universal bank (Mechanics Stock Bank). Simultaneously, Interim One will cancel its outstanding stock, convert to a mutual financial institution, and then reorganize into Maine Community Bancorp, MHC (Mutual Holding Company), a mutual holding company organized under Maine law.

Step 6: Interim Two will merge with and into Mechanics Stock Bank with Mechanics Stock Bank as the surviving entity. The assets that were constructively transferred to Interim Two will become the assets and liabilities of Mechanics Stock Bank by virtue of the merger. Following the merger, the Mutual Holding Company will become the sole stockholder of Mechanics Stock Bank.

Step 7: Biddeford will convert to the capital stock form of organization as a Maine-chartered, investor-owned universal bank (Biddeford Stock Bank).

Step 8: Interim Three will merge with and into Biddeford Stock Bank with Biddeford Stock Bank as the surviving entity. Following the merger, the Mutual Holding Company will become the sole stockholder of Biddeford Stock Bank.

Step 9: On the effective date, the Mutual Holding Company will contribute the capital stock of Mechanics Stock Bank and Biddeford Stock Bank to the Stock Holding Company. Mechanics Stock Bank and Biddeford Stock Bank will each become wholly owned subsidiaries of the Stock Holding Company, and the Stock Holding Company will become a wholly owned subsidiary of the Mutual Holding Company.

Upon consummation of the proposal, the deposits of Biddeford will continue to be insured by the DIF. On the effective date of the reorganization, Biddeford Savings Bank will be a stock bank that is wholly owned by Maine Community Bancorp, Inc., which in turn is wholly owned by Maine Community Bancorp, MHC.

Applications have not yet been filed with the Federal Reserve Bank of Boston for Maine Community Bancorp, MHC and Maine Community Bancorp, Inc., to become a mutual holding company and a stock holding company, respectively. The State of Maine is reviewing applications for the formation of the various stock banks and the holding companies regarding Biddeford's reorganization into a mutual holding company structure. An application will be filed with the State of Maryland prior to consummation of the transaction.

Following the consummation of the merger, Biddeford Savings Bank will operate the same banking business with the same management at the same locations now being served by Biddeford. The proposed transaction will not alter the competitive structure of banking in the market served by Biddeford. The main office will remain at 245 Main Street, Biddeford, Maine 04005.

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. Biddeford Savings Bank is expected to meet the credit needs of its community, consistent with the safe and sound operation of the institution.

In connection with the Application, the FDIC has taken into consideration the financial and managerial resources and future prospects of the existing and proposed institutions, the convenience and needs of the community to be served, and the effect of the proposed transaction on competition. The FDIC has also taken into consideration the effectiveness of the insured depository institution involved in the proposed merger transaction in combating money-

laundering activities, and the risk posed by the transaction to the stability of the U.S. banking or financial system.

Having found favorably on all statutory factors, including any report on the competitive factors furnished by the Attorney General of the United States, the FDIC hereby approves the Application, subject to the following conditions, some of which are continuing in nature:

1. The Bank shall provide written evidence that the proposed conversion transaction was approved by a vote of at least a majority of the Bank's depositors and other stakeholders who are entitled to vote on the conversion.
2. The Bank's conversion and merger of it with and into Interim Three shall only be consummated on the same date as the consummation of all the other steps of the plan of reorganization, as proposed in the notices and applications submitted to the FDIC.
3. Except for the issuance of all of the Bank's stock to Maine Community Bancorp, MHC and the contribution of that stock to Maine Community Bancorp, Inc., no shares of the Bank's stock shall be sold, transferred, or otherwise disposed of, to any person (including any Employee Stock Ownership Plan) unless prior notice is provided to, and non-objection is received from, the FDIC New York Regional Director.
4. Prior to a sale, transfer or other disposition of any shares of Maine Community Bancorp, Inc., by Maine Community Bancorp, MHC, to any person (including any Employee Stock Ownership Plan) or a conversion of Maine Community Bancorp, MHC, to stock form, the Bank shall provide written notification to the FDIC New York Regional Director and include copies of all documents filed with the state and Federal banking and/or securities regulators in connection with any sale, transfer, disposition, or conversion.
5. Any change in proposed senior executive officers or the board of directors, prior to the consummation of the proposed transactions, will render this approval null and void unless such proposal is approved by the FDIC New York Regional Director prior to the consummation of the proposed transactions.
6. During the three-year period after the close of the proposed transactions, the Bank shall obtain the written approval of the FDIC New York Regional Director prior to implementing any material deviation from the business plan submitted with the Notice.
7. The Bank shall provide written notice to the FDIC New York Regional Director prior to implementing any policy or executing any agreement with Maine Community Bancorp, MHC, or any of the Bank's affiliates related to the allocation and sharing of costs with the Bank. The Bank shall not implement any such policy or execute such agreement if the FDIC New York Regional Director objects in writing to such policy or agreement within 30 days of receipt of the Bank's notice.
8. The Bank shall provide written evidence that all necessary and final approvals regarding the proposed conversion transaction and the merger have been received from the appropriate Federal and state authorities.

9. The proposed transactions may not be consummated later than six months after the date of this Order unless such period is extended for good cause by the FDIC.
10. The Bank acknowledges that any letter of non-objection from the FDIC is conditioned on the facts and circumstances as currently known to the FDIC, and the Bank shall notify the FDIC New York Regional Director as soon as the Bank becomes aware of, or should have become aware of, any material events prior to the consummation of the proposed transactions.
11. Until the proposed transactions are consummated, the FDIC shall have the right to alter, suspend, or withdraw its approval should any interim development be deemed to warrant such action.

Pursuant to the delegated authority of the FDIC Board of Directors.

Dated at Washington, D.C. this 4th day of September, 2015.

/s/

James C. Watkins
Senior Deputy Director
Division of Risk Management Supervision