

MAINE BUREAU OF FINANCIAL INSTITUTIONS
ORDER APPROVING APPLICATION OF BANGOR SAVINGS BANK, BANGOR,
MAINE TO ACQUIRE 100% OF ADVANCED PAYROLL PLUS, INC. AND
ADVANCED BENEFITS PLUS, INC., BANGOR, MAINE

Bangor Savings Bank, Bangor, Maine ("BSB") applied to the Superintendent of the Maine Bureau of Financial Institutions ("the Superintendent"), pursuant to 9-B M.R.S.A. Chapter 44, to acquire 100% of Advanced Payroll Plus, Inc. and Advanced Benefits Plus, Inc., Bangor, Maine ("APP"). APP provides payroll processing, payroll tax filing and related services to companies located primarily in Maine. APP's principal office is located in Bangor and it also has a client support office located in Portland. APP will be directly owned by Maine Information Systems, a wholly-owned subsidiary of BSB.

The application was accepted for processing on May 17, 2002. Public notice, as required by Title 9-B M.R.S.A. §252(2)(B), was provided by publication and mail to interested parties affording them an opportunity to submit written comments or request a hearing. The Bureau received one comment during the public comment period ending June 21, 2002.

The Maine Banking Code requires the Superintendent to consider the financial and managerial resources and the future prospects of the applicant, the convenience and needs of the market area, and the competitive effects and fairness of the proposed transaction. A Principal Bank Examiner of the Maine Bureau of Financial Institutions conducted an investigation of this transaction, including an analysis of the statutory factors. All evidence and pertinent material considered by the Examiner was also considered by the Superintendent in reaching his decision. None of these statutory factors raises concerns that cause the application to be disapproved.

The proposed acquisition should contribute to the strength of BSB, thereby enhancing its future prospects. The increased number of offices where APP's services may be accessed plus the potential to combine banking and payroll services into one service provider should benefit the convenience and needs of the market. The competitive effects of the proposed acquisition are considered minimal, since BSB does not currently provide payroll services. The terms and conditions of the transaction appear equitable to all parties. Therefore, the application of Bangor Savings Bank to acquire Advanced Payroll Plus, Inc. and Advanced Benefits Plus, Inc. is approved.

The one comment submitted concerned the potential liability to payroll companies, among others, for unreported unclaimed property. BSB's due diligence of APP included a review of the latter's compliance with the Maine State Unclaimed Property Act. Additionally, BSB has committed to establish procedures to ensure ongoing compliance.

BSB has requested a partial waiver of the thirty-day waiting period so that the acquisition may be consummated on the close of business June 28, 2002. The reasons cited are that June 28, 2002 is the end of APP's second quarter reporting period, which will simplify the accounting treatment, and that adding APP's employees to BSB's employee benefit plans prior to July 1, 2002 will favor the employees. Inasmuch as there were no objections received during the public comment period, the Superintendent agrees to grant the partial waiver in order that this transaction may be consummated after the close of business on June 28, 2002. The transaction shall be completed within one year of the effective date of this Order, unless the Superintendent grants a written extension.

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 close of business June 28, 2002.

/s/ Howard R. Gray, Jr.
Superintendent
Gardiner, Maine
June 24, 2002