

# MAINE STATE LEGISLATURE

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ANNUAL REPORT FROM THE  
SUPERINTENDENT  
OF  
THE BUREAU OF FINANCIAL INSTITUTIONS  
TO THE LEGISLATURE

PREPARED BY THE STAFF OF THE  
MAINE BUREAU OF FINANCIAL INSTITUTIONS

January 15, 2012

*Paul R. LePage*  
Governor

*Anne L. Head*  
Commissioner

*Lloyd P. LaFountain III*  
Superintendent

## INTRODUCTION

The Bureau of Financial Institutions is Maine's primary regulator of state-chartered financial institutions. Pursuant to 9-B M.R.S.A. Section 111, the statutory mission of the Bureau is to ensure the strength and stability of the financial institutions that it regulates, encourage the development and expansion of financial services, ensure reasonable and orderly competition, and protect consumers against unfair practices by financial institutions that provide consumer credit.

In 2011, the Bureau provided supervision to forty-three (43) state-chartered financial institutions. These financial institutions include twenty (20) banks, twelve (12) credit unions and eleven (11) limited-purpose banks. As of June 2011, the total assets of these institutions regulated by the Bureau were approximately \$15.1 billion.

To ensure the safe and sound operation of regulated entities, the Bureau is charged with enforcing the Maine Banking Code (Title 9-B) and the Maine Consumer Credit Code (Title 9-A). The Bureau's code enforcement and supervisory efforts utilize a two-pronged approach. The Research and Administrative Division interprets the Codes and issues regulatory guidance, promulgates rules, conducts consumer outreach and interacts with the Maine Legislature during legislative sessions. The Supervision and Enforcement Division conducts periodic on-site examinations of each state-chartered financial institution for safety and soundness and for compliance with Maine laws. Bureau examiners also conduct specialty examinations for the following: trust departments, holding companies, consumer compliance and information technology.

The Bureau was first accredited by the Conference of State Bank Supervisors in 1996 and was subsequently re-accredited in 2001 and 2006. The Conference of State Bank Supervisors Accreditation Program recognizes banking departments that serve the citizens of their State by operating capable and professional regulatory programs. In October, a review team from the Conference of State Bank Supervisors conducted a thorough on-site review of the Bureau and, in December, notified the Bureau of its re-accreditation for an additional five-year period.

Section 1 of this Report describes recent changes in both federal and state law that directly impacts state-chartered financial institutions and their customers. As a result of the passage of the Dodd-Frank Wall Street Reform and Consumer Protection

Act, the Bureau made a considerable effort to align state truth-in-lending law with the new federal law by introducing LD 1338, "An Act to Amend the Maine Consumer Credit Code to Conform with Federal Law." As a result of its passage, Maine state-chartered financial institutions have a more even playing field with their federally-chartered competitors and Maine lawmakers retain local control over consumer lending.

Section II of this Report focuses on residential lending and foreclosure activity in the State of Maine. Since October 2006, the Bureau has conducted a quarterly survey of state-chartered financial institutions in order to collect data on the number and dollar volume of first lien residential mortgage loans, mortgage loans in the process of foreclosure, foreclosures completed and delinquent mortgage loans. At this time, the foreclosure activity does not pose a threat to the stability of Maine-chartered financial institutions. Out of 51,000 first lien mortgages, 319 were in the process of foreclosure.

Section III of this Report describes the efforts made by the Bureau to protect consumers against unfair practices by institutions and to provide consumer education through its consumer outreach activities. The Bureau has a Consumer Outreach Specialist on staff who provides assistance to consumers with individual complaints and inquiries. In FY 2011, the Bureau responded to 775 complaints and inquiries. The majority of the complaints concerned issues related to credit cards, mortgage loans and checking accounts.

Section IV of this Report describes the various types of applications received by the Bureau in FY 2011. Application activity continued to be more heavily concentrated in the area of branching by existing state-chartered financial institutions. In addition, the Bureau is pleased to welcome Plimoth Trust Company, LLC to Maine following the granting of its charter by the Bureau in September 2011.

While this Annual Report should be helpful as a point-in-time resource, the Bureau's website located at [www.Maine.gov/pfr/financialinstitutions](http://www.Maine.gov/pfr/financialinstitutions) continues to provide access for both current and archived information.

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# SECTION I

## BUREAU OVERSIGHT ACTIVITIES AND REGULATORY DEVELOPMENTS

### **Consumer Lending, The Dodd-Frank Act and the Bureau's Response**

The recent financial crisis, brought about in part by the asset bubble in housing and by the unscrupulous activities of predatory lenders, led to a massive overhaul of federal financial regulation. In 2009, Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank). Dodd-Frank makes sweeping changes to financial and securities laws. It calls for numerous studies and requires an enormous rulemaking effort by a variety of federal agencies. The act requires upwards of 200 new financial regulations, all on a very ambitious timetable. The new federal regulations, including substantial new consumer protection regulations, will require the time and attention of the Maine Bureau of Financial Institutions (the Bureau), and Maine's financial institutions, for years to come.

In an effort to end unfair, deceptive, and abusive consumer lending practices, Dodd-Frank created the Consumer Financial Protection Bureau (CFPB). Last summer, the CFPB took over responsibility for the federal Truth-in-Lending Act and an array of other federal consumer financial protection laws. The CFPB's responsibilities include the promulgation of regulations to implement a variety of new consumer protection provisions, many of which relate to predatory mortgage lending. Other responsibilities include the promotion of financial literacy and the creation of a centralized consumer complaints center. In January of 2011, the CFPB entered into a memorandum of understanding with the Conference of State Bank Supervisors to establish a foundation of state and federal cooperation for the supervision of providers of consumer financial products and services. In doing so, it signaled respect for the dual banking system and the state's role in protecting consumers.

During the First Regular Session of the 125<sup>th</sup> Legislature, the Bureau was involved in state legislation that was directly related to changes in federal law made by Dodd-Frank. In each case, the Bureau urged the Legislature to align state laws with the new federal laws. The two bills were LD 1251, "An Act to Prevent Credit Card

Company Unfair Practices”, and LD 1338, “An Act to Amend the Maine Consumer Credit Code To Conform with Federal Law.” The first bill pertains to debit and credit card interchange fees and restrictions, which include the rules vendors follow and the fees they pay in order to accept debit and credit cards. The second bill pertains to the Truth-in-Lending Act, which includes the laws related to consumer loan disclosures and credit card agreements.

(a) An Act to Prevent Credit Card Company Unfair Practices

LD 1251, “An Act to Prevent Credit Card Company Unfair Practices”, was brought forward on behalf of Maine merchants. If passed, it would have altered, under state law, the financial relationship among merchants, financial institutions and consumers, by changing the dynamics of the debit and credit card payment system. The intention behind LD 1251 was to reduce the fees that merchants pay when they accept a debit or credit card as a form of payment by expanding merchants’ choices and bargaining power with respect to payment processors and issuing banks. Representatives from a variety of financial Institutions testified in opposition to the bill, arguing that card systems are expensive to maintain and that they would be forced to make up for lost revenue by raising consumer fees on deposit accounts or other account services.

While testifying on LD 1251, the Bureau informed the Committee that, given the complexity and breadth of the payment system in the U.S., the issue should be addressed at the national level. The Bureau pointed out that, pursuant to the Durban Amendment to Dodd-Frank, the Federal Reserve had been given the task of drafting rules that would limit interchange fees to “reasonable and proportional” levels. Therefore, the Bureau suggested that it would be appropriate to wait for the implementation of these federal rules before deciding what, if anything, should be done at the state level. After considering this and other testimony, the Committee voted unanimously “ought not to pass.” Thereafter, final federal interchange rules were issued that dramatically reduce the fees merchants pay to large card issuers while expanding merchants’ choice of card networks. Finally, during the deliberation of this bill, the Bureau was able to clarify merchants’ current rights under Maine law regarding debit



and credit card purchases. The Bureau explained that the Maine Consumer Credit Code does not limit merchants' ability to offer discounts to consumers to encourage them to use alternative forms of payment in lieu of debit or credit cards.

(b) An Act to Amend the Maine Consumer Credit Code To Conform with Federal Law

The Bureau of Financial Institutions and the Bureau of Consumer Credit Protection brought forward LD 1338, "An Act to Amend the Maine Consumer Credit Code To Conform with Federal Law" (the Act) in response to changes made by Dodd-Frank. Federal law allows local enforcement of truth-in-lending laws as long as the state laws are substantially similar to the federal laws. To retain enforcement authority, the changes made by Dodd-Frank to the federal truth-in-lending laws necessitated similar changes to Maine law. After numerous meetings of interested parties, and lengthy discussion by the Insurance and Financial Services Committee, the Committee voted unanimously that the bill "ought to pass." Ultimately, LD 1338 was signed into law as Public Law 2011, Chapter 427.

Part A of the Act represents a significant reduction in "red tape." It eliminates the compliance difficulties that can result when state and federal laws address similar issues in different ways. The Act aligns Maine truth-in-lending laws with federal truth-in-lending laws. Part A of the Act accomplishes this by repealing Article 8, Truth-in-Lending, of the Maine Consumer Credit Code and enacting an abbreviated Article 8-A, which incorporates by reference up-to-date federal truth-in-lending laws. Prior to the change, there were differences between federal and Maine law due, in large part, to the Maine Legislature's early response to the predatory lending problem in Maine. Maine acted more rapidly than the federal government to protect Maine homeowners from harm. Though federal lawmakers were slower to act, the protections that ultimately found their way into Dodd-Frank are very similar to the laws that Maine developed to protect its citizens. For this reason, the Bureau does not view alignment as diminishing consumer protection in Maine. Maine law still retains some state-specific predatory lending provisions; however, their application is limited to non-bank lenders.

The alignment with federal law served as a recognition by the diverse group of interested parties and Legislators that worked on LD 1338, that Maine's state-chartered

banks and credit unions did not engage in a pattern or practice of predatory lending. Pursuant to the Act, Maine's state-chartered financial institutions now enjoy a more even playing field with their federally-chartered competitors, and, importantly, Maine lawmakers continue to retain local control over consumer lending.

Part B of the Act facilitates Maine's continued participation in the nationwide mortgage licensing system. This is part of a national effort to license and register mortgage loan officers.

Part C of the Act requires that the Bureau of Consumer Credit Protection facilitate meetings among interested parties to determine ways to streamline Maine's foreclosure prevention outreach and housing counseling program. Interested parties, which included legislators, consumer advocates, the Bureau, the Maine Bankers Association and the Maine Credit Union League, held meetings over the summer and fall. A report was issued by the Bureau of Consumer Credit Protection detailing various new cost reduction methods and ideas for further improvement of the foreclosure prevention program.

(c) Regulations: Cutting the "red tape"

- 1) Repeal of Regulation 38, Truth-in-Lending-Regulation Z-2;
- 2) Repeal of Maine's Regulation 44, Guidelines for Determining Reasonable, Tangible Net Benefit

The changes brought about by the Act have, to date, resulted in the repeal of two consumer lending rules. Maine chartered financial institutions no longer need comply with Maine's Regulation Z-2 or Maine's Tangible Net Benefit regulation. Both of these rules were rendered inapplicable to banks and credit unions upon the effective date of the Act.

Maine's Regulation 38, Truth-in-Lending, otherwise known as Regulation Z-2, was superseded when the Act incorporated by reference all final federal truth-in-lending regulations issued through July 21, 2011. Because the state and federal laws align, the old rule outlining where Maine law deviated from the federal law was no longer necessary. Therefore, in late 2011, the Bureau of Financial Institutions and the Bureau of Consumer Credit Protection proposed and adopted the repeal of Regulation Z-2.

Maine's Regulation 44, Guidelines for Determining Reasonable, Tangible Net Benefit, was likewise superseded by the Act, but only with respect to its application to Maine state-chartered banks and credit unions. Maine-chartered financial institutions had been required to demonstrate a benefit to a borrower when making certain loans that refinance existing home loans. This state enhancement is referred to as Maine's "flipping" prohibition and is designed to prevent unscrupulous lenders from stripping equity from a borrower's home through aggressive refinancing activities. Again, because those involved in working on the Act recognized that Maine banks and credit unions did not engage in loan flipping activities, they were not required to continue demonstrating a borrower's tangible net benefit at closing. Non-bank lenders, however, must continue to complete and sign the forms that describe the benefit a borrower receives, such as reduced interest or better terms, when entering into certain high-rate re-financing transactions.

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## SECTION II

### RESIDENTIAL LENDING AND FORECLOSURES

#### Foreclosure Survey

The Bureau initiated a survey (the “FC Survey”) in October 2006 requesting various data related to residential mortgages, focusing on the extent of the foreclosure problem in Maine. Maine’s 32 state-chartered banks and credit unions (“MSFI”) have now completed the FC Survey for 20 consecutive quarters. A recent change to the FC Survey was made in June 2011 and has resulted in some inconsistencies in the reporting of outstanding first mortgages because certain first lien home equity lines of credit (“HELOCs”) were previously reported as subordinate mortgages.<sup>1</sup> The FC Survey collects data on the number and dollar volume of first lien residential mortgage loans, mortgage loans in process of foreclosure (“IPF”), foreclosures completed (“FC”) and delinquent mortgage loans.

#### First Lien Residential Mortgages

The number of outstanding first residential mortgages (“First REMs”), adjusted for previously excluded HELOCs, increased very modestly in the second and third quarters of 2011, resulting in a nominal 0.3% increase from September 2010. During the first nine months of 2011, MSFI originated more than 6,700 First REMs, which is down nearly 1,000, or 13%, from the comparable period of 2010, in turn down nearly 1,700 from the comparable period of 2009. Beginning in the second quarter of 2011, the FC Survey requested information on the number of loan originations by purchase and refinance purpose, as well as the number of HELOCs. Purchase mortgages accounted for the majority of originations in both periods, but declined 7% in the third quarter, falling from 50% of all originations to 46%. Refinance mortgages increased by nearly 25%, from 30% to 37% of total originations, and HELOCs declined 14%, from 20% to 17%. Through September 2011, MSFI continued to retain a greater percentage

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<sup>1</sup> The June 2011 FC Survey specifically requested the number of outstanding HELOCs. Previously, several MSFI had reported all HELOCs (regardless of lien position) as junior lien mortgages, resulting in an understatement of first lien mortgages. In both the June and September 2011 FC Surveys, more MSFI were correctly reporting the number of first lien mortgages and all MSFI are expected to be accurately reporting the data in the December 2011 FC Survey.

of the mortgage originations than in the comparable period of 2010 and 2009 (although the absolute number retained declined), 69% vs. 63% and 52%, respectively.

According to data from Maine Real Estate Information System, Inc. (“MREIS”), sales of single-family housing in Maine are down more than 5% year-to-date October 2011 compared to the same period of 2010. However, sales in each of the last four months (July through October) have been greater, in the aggregate by nearly 13%, than in the same months of 2010. Based on MREIS data, the 2011 median monthly sales price has declined for seven of the last eight months, decreasing on average by more than 2% during this period.

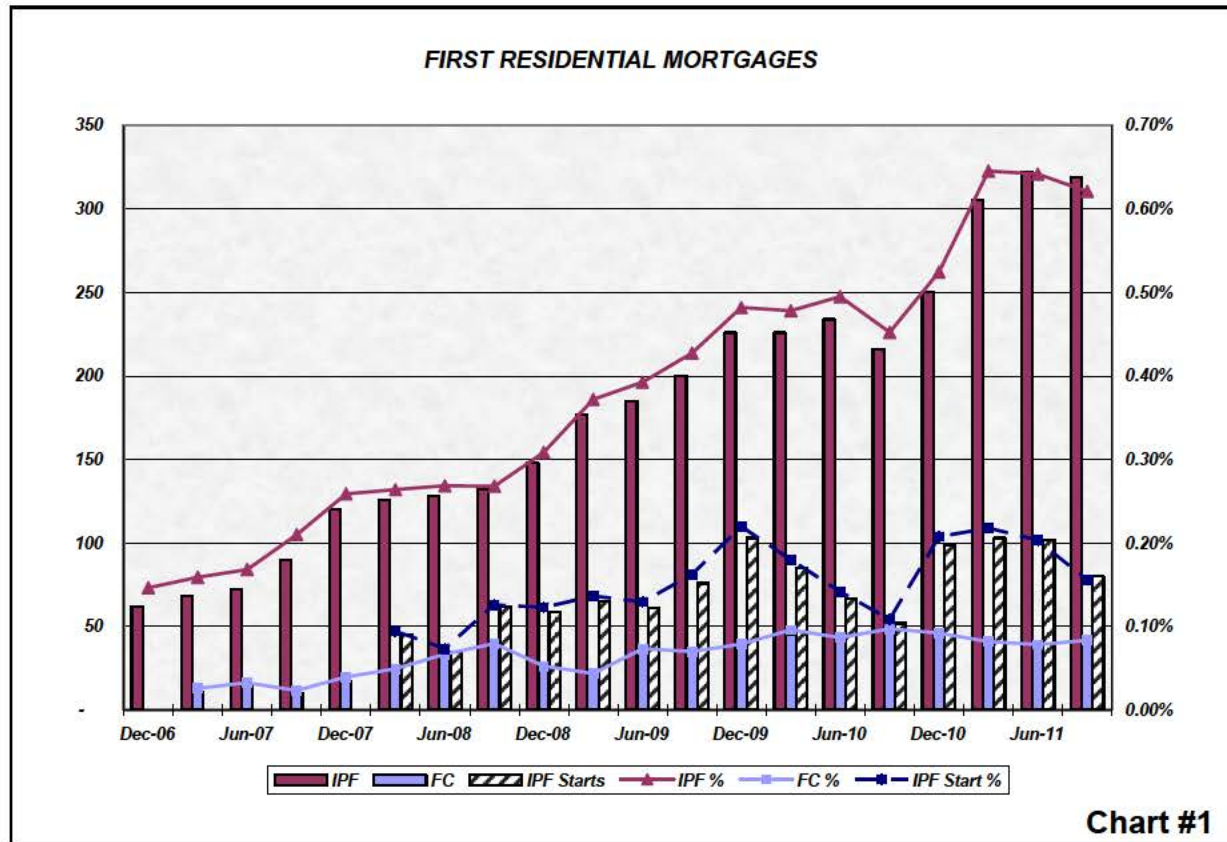
Table #1 summarizes various foreclosure-related data for First REMs. As seen in Chart #1, which uses the data from Table #1, the trend for First REMs IPF and foreclosure starts in the current quarter is positive while the trend for FC turned in a negative direction. There was a net increase in IPF of 39 mortgages, after deducting the current quarter FC, which was the second lowest increase in the last ten quarters and a favorable comparison to the increase of 54 in the second quarter and 94 in the first quarter. There was a substantial drop in the number of foreclosure starts in the third quarter, to 80 from the 101 averaged over the prior three quarters. Additionally, 13% of the loans reported as IPF at June 2011 dropped out of the foreclosure process during the third quarter for some reason other than a completed foreclosure (i.e., a short sale or the loan was brought current, restructured or refinanced), further contributing to the decrease in IPF at September 2011. This is a slightly higher (more favorable) drop-out ratio than averaged over the prior four quarters.

**Table #1**

<b>1<sup>st</sup> REM</b>	<b>12/06</b>	<b>12/07</b>	<b>12/08</b>	<b>12/09</b>	<b>9/10</b>	<b>12/10</b>	<b>3/11</b>	<b>6/11</b>	<b>9/11</b>
<b># Loans</b>	42,299	46,341	47,975	46,884	47,774	47,654	47,259	50,181	51,377
<b>IPF</b>	62	120	148	226	216	250	305	322	319
<b>FC</b>	N/A	17	26	37	46	44	39	37	42
<b>IPF Start</b>	N/A	N/A	59	103	52	99	103	102	80
<b>IPF</b>	0.15%	0.26%	0.31%	0.48%	0.45%	0.52%	0.65%	0.64%	0.62%
<b>FC</b>	N/A	0.040%	0.053%	0.079%	0.097%	0.092%	0.082%	0.078%	0.084%
<b>IPF Start</b>	N/A	N/A	0.12%	0.22%	0.11%	0.21%	0.22%	0.20%	0.16%

FC and IPF starts are compared to prior quarter-end # of loans.

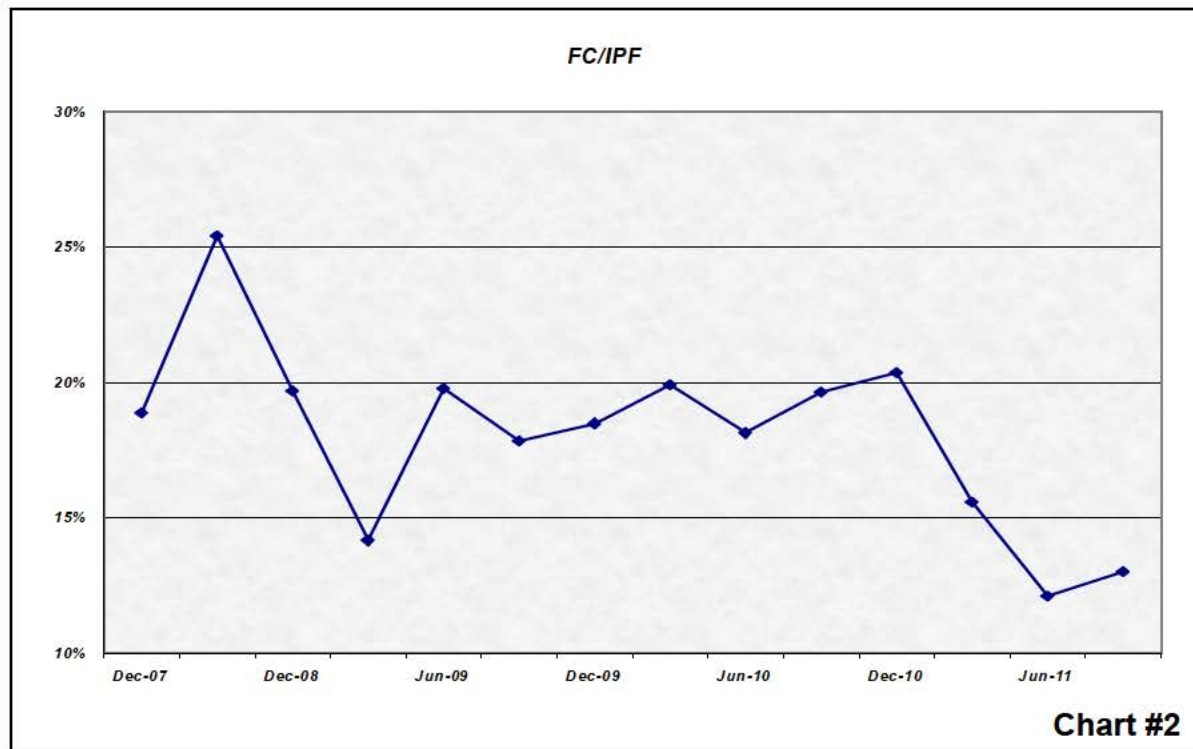
FC, on the other hand, reversed their downward trend, increasing for the first time since the third quarter of 2010. Overall, total FC year-to-date, 118, are down 11% compared to the same period last year as the number of FC for each of the first three quarters of 2011 is modestly lower than the FC for the same quarter of 2010.



**Chart #1**

The ratio of FC to IPF, after being very steady for seven quarters (Chart #2), has fallen significantly in 2011. Whereas in 2009 and 2010 the MSFI completed the foreclosure process on approximately one First REM for every five First REMs on which they had initiated the foreclosure process, the ratio has slowed to nearly one FC for every eight IPF. This extended time period that mortgages are IPF is at least partially attributable to the combination of Maine having a judicial foreclosure process and a statutorily-mandated mediation process that contribute to an extended foreclosure timeline, thereby increasing the number of mortgages that remain IPF and delaying foreclosure. Other factors that may be contributing to this lengthier process are falling

home values and the willingness of the MSFI to work with their borrowers. Another indicator of the lengthened foreclosure process is the increased percentage of PD $\geq$ 3 months that are IPF. Year-to-date September 2011, an average of 56% of PD $\geq$ 3 months were IPF, up significantly from 43% in 2010.

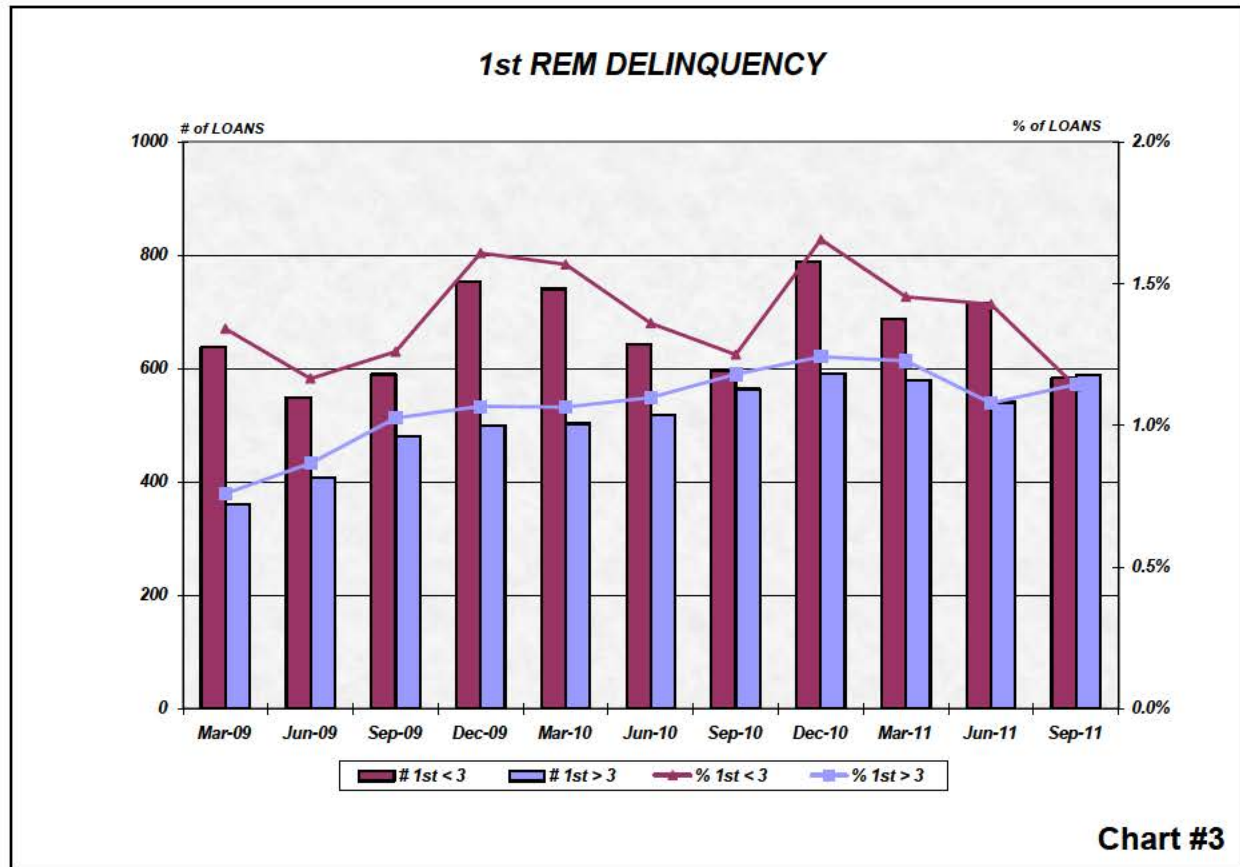


There continues to be no discernible, long-term trend in “early stage” delinquencies (i.e., past due one to two months - “PD<3 months”), other than a seasonal pattern where the number and percentage are at their lowest level in the second and third quarters of the year. Seriously delinquent mortgages (past due three or more months - “PD $\geq$ 3 months”) had steadily increased through yearend 2010 before declining in the first two quarters of 2011. Unfortunately, that latter trend did not continue through September 2011 as serious delinquencies increased significantly, approaching their peak. The increase is even more dramatic when factoring in the FC, which would have been included in the prior quarter’s PD $\geq$ 3 months but are excluded in the current quarter’s data. The prolonged foreclosure process, by keeping delinquent loans on the institutions’ books longer, acts to inflate the PD $\geq$ 3 months. For the nine



quarters between June 2009 and June 2011, PD≥3 months averaged 44% of all delinquent First REMs, ranging between 40% and 49%, but at September 2011 their share had increased to 50%.

The percentage of FC to First REMs PD≥3 months (based on prior quarter-end



PD≥3 months) has held steady in a narrow range, between 6.4% and 8.9%, for the last six quarters (Table #2). This ratio indicates that approximately one in fourteen mortgage loans PD≥3 months has actually been foreclosed year-to-date, an improvement from one in eleven for the same period of 2010.

**Table #2**

	6/10	9/10	12/10	3/11	6/11	9/11
FC	41	46	44	39	37	42
PD≥3 months *	503	519	564	592	580	541
FC/ PD≥3	8.2%	8.9%	7.8%	6.6%	6.4%	7.8%

\* Prior quarter-end PD≥3 months

Notwithstanding the substantial decrease in the absolute number of foreclosure starts in the third quarter, there has been a moderate increase in the percentage of

foreclosure starts among First REMs PD≥3 months, rising from a 13.4% year-to-date September 2010 average to 16.6% year-to-date September 2011. The prolonged time period to complete the foreclosure process may be a factor in MSFI starting the process earlier than they did in prior years.

The MSFI inventory of foreclosed properties (other real estate owned – “OREO”) had increased significantly in the four quarters leading up to September, climbing from 65 in June 2010 to 90 in June 2011, before dropping to 75 at September 2011. Because the Bureau is no longer collecting data on junior lien foreclosures, it is not possible to accurately calculate the OREO turnover ratio, but all indications are that the MSFI are annually disposing of approximately three properties for every four acquired.

### **Serviced First Lien Residential Mortgages**

The growth in serviced first residential mortgages (all mortgages serviced are First REMs) has slowed considerably year-to-date September 2011, to a nominal 0.5% pace annualized, compared to 6.0% in 2010 and 13.6% in 2009.<sup>2</sup> The MSFI continue to service approximately one mortgage for every four owned First REMs. As seen in Table #3, there continues to be modest increases in the numbers of IPF and FC with the IPF and FC ratios continuing to be slightly better than those for the MSFI.

**Table #3**

		12/07	12/08	12/09	9/10	12/10	6/11	9/11
# 1 <sup>st</sup> REM		11,702	11,506	13,076	13,560	13,863	13,883	13,912
# IPF		13	21	46	55	59	71	77
% IPF		0.11%	0.18%	0.35%	0.41%	0.43%	0.51%	0.55%
% IPF - MSFI		0.26%	0.31%	0.48%	0.45%	0.52%	0.64%	0.62%
# FC		2	6	10	8	4	10	10
% FC	*	0.017%	0.052%	0.078%	0.059%	0.029%	0.072%	0.072%
% FC - MSFI	*	0.040%	0.053%	0.079%	0.097%	0.092%	0.078%	0.084%
FC/IPF –Svcd	**	15.4%	33.3%	23.3%	14.0%	7.3%	13.5%	14.1%
FC/IPF–MSFI	**	18.2%	18.6%	18.5%	19.7%	20.4%	13.4%	12.9%

\* % based on prior quarter-end loans

\*\* % based on prior quarter-end IPF

<sup>2</sup> Serviced mortgages refer to mortgages owned by a third-party for which a bank processes payments, etc. Under most servicing contracts, the servicer is responsible for collecting delinquent payments as well as initiating foreclosure proceedings. It is presumed that most of the loans serviced by a MSFI were originated by the MSFI. However, all loans originated and sold by a MSFI are not serviced by the MSFI. Year-to-date September 2011, servicing has been retained on 56% of the First REMs sold and released on 44%, showing very little change from the comparable 2010 period.

## **Summary**

The foreclosure data continue to be mixed, both in the aggregate and individual categories, from quarter to quarter. There are some positive signs, such as the recent uptick in home sales and the ongoing decrease in unemployment and, in the most recent quarter, fewer foreclosure starts and fewer early stage delinquencies. However, offsetting the positive is the significant and somewhat unexpected increase in seriously delinquent First REMs. Increases in the foreclosed property inventory and number of IPF, coupled with the very lengthy foreclosure process, suggest that the recovery will continue to be slow and drawn out. The evidence continues to suggest that the MSFI are not rushing to initiate foreclosure proceedings and, once proceedings are initiated, they are willing to work with their borrowers to avoid foreclosure whenever possible. MSFI delinquency and foreclosure ratios also continue to compare favorably to national data.

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## SECTION III

### CONSUMER OUTREACH

The Bureau's Consumer Outreach Program provides help for consumers who have questions or concerns related to a financial institution or its products and services. Consumers may contact the Bureau's Consumer Outreach Specialist by phone, mail, encrypted email or in person. The Consumer Outreach Specialist also provides financial education, mediation and referral services. In addition, the Bureau's website includes a variety of information for the public, including financial education literature, foreclosure resources and tools for teachers.

During the fiscal year ending June 30, 2011, the Bureau responded to 775 consumer complaints and inquiries. Ninety-one of these complaints and inquiries required intervention by the Consumer Outreach Specialist. Because the Bureau has no regulatory authority over federally-chartered financial institutions, the Bureau's Consumer Outreach Specialist is most successful when intervening in disputes involving Maine-chartered financial institutions. When a federally-chartered financial institution is involved, the Consumer Outreach Specialist is still able to help consumers understand their banking issues and guide them in how to get help from federal regulatory agencies.

Table #4 lists the Bureau's consumer contacts by account type in fiscal years 2010 and 2011.

**TABLE #4**

Type of Account	Number of Contacts		% of Total	
	FY10	FY 11	FY10	FY11
Credit Cards	353	<b>209</b>	34%	<b>27%</b>
Mortgage Loans	267	<b>235</b>	25%	<b>30%</b>
Checking Accounts	176	<b>130</b>	17%	<b>17%</b>
Installment Loans	78	<b>52</b>	7%	<b>7%</b>
Other <sup>1</sup>	179	<b>149</b>	17%	<b>19%</b>
Total	1053	<b>775</b>	100%	<b>100%</b>

<sup>1</sup>Included in "Other" are the following: credit report problems, fees to cash checks, forgery, funds availability, gift cards, identity theft and telemarketing.

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## SECTION IV APPLICATIONS

### Application Activity

As in prior reporting periods, application activity by Maine state-chartered financial institutions continued to be very heavily concentrated on branching activity, accounting for 10 of the 12 applications processed during the twelve-month period between November 1, 2010 and October 31, 2011. During the same period in 2009 – 2010, branch-related filings represented 19 of the 22 total filings, and for the 2008 – 2009 period, 12 of the 13 total filings. Of particular note in the period ending October 2011 was the first application filed by a Maine state-chartered financial institution to establish a branch outside of Maine. Kennebunk Savings Bank requested approval for, and has subsequently opened, a branch in Portsmouth, NH.

The two non-branch related applications were filed by (1) Gorham Savings Bank to engage in “finder” activities by offering a “social shopping” service through a contractual relationship with a third-party, and (2) two Massachusetts state-chartered savings banks, Citizens-Union Savings Bank and Dedham Institution for Savings, to establish a nondepository trust company in Plymouth, MA.

**TABLE #1**

	11/08 – 10/09	11/09 – 10/10	11/10 – 10/11
<b>Charters – Nondepository Inst.</b>	0	1	1
<b>Mergers, Acquisitions</b>	0	1	0
<b>New Activities</b>	1	0	1
<b>Branch Establishment</b>	5	13	6
<b>Branch Relocation</b>	3	2	4
<b>Branch Closing</b>	4	4	0
<b>Other</b>	0	1	0

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# EXHIBITS

**SUMMARY OF FINANCIAL INSTITUTIONS  
AUTHORIZED TO DO BUSINESS IN MAINE  
June 30, 2011**

	No.	ASSETS		DEPOSITS/SHARES		LOANS	
		Dollars (000's)	% of Total	Dollars (000's)	% of Total	Dollars (000's)	% of Total
Commercial Banks Chartered by the State of Maine	5	2,478,552	10.30%	1,736,435	6.68%	1,624,382	6.58%
National Banks	5	3,691,168	<sup>1</sup> 15.34%	9,666,742	37.18%	9,326,995	37.80%
State Limited Purpose Banks	11	182,598	0.76%	N/A	N/A	0	0.00%
Federal Limited Purpose Banks	1	11,899	0.05%	N/A	N/A	N/A	N/A
State Savings Banks	14	10,833,931	45.03%	7,966,131	30.64%	8,172,390	33.12%
Federal Savings Banks	4	953,068	<sup>1</sup> 3.96%	1,522,885	5.85%	1,623,332	6.58%
State Savings and Loans	1	69,156	0.29%	63,092	0.24%	45,552	0.18%
Federal Savings and Loans	3	279,931	1.16%	255,030	0.98%	236,396	0.96%
Credit Unions Chartered by the State of Maine	12	1,515,650	6.30%	1,297,266	4.99%	935,977	3.79%
Credit Unions Chartered by Other States	1	N/A	<sup>1</sup> N/A	11,729	0.04%	7,290	0.03%
Federal Credit Unions	54	4,044,638	<sup>1</sup> 16.81%	3,483,156	13.40%	2,704,182	10.96%
<b>TOTAL</b>	<b>111</b>	<b>24,060,591</b>	<b>100.00%</b>	<b>26,002,466</b>	<b>100.00%</b>	<b>24,676,496</b>	<b>100.00%</b>
Commercial Banks	10	6,169,720	<sup>1</sup> 25.64%	11,403,177	43.86%	10,951,377	44.38%
Limited Purpose Banks	12	194,497	0.81%	N/A	N/A	0	0.00%
Savings Banks	18	11,786,999	48.99%	9,489,016	36.49%	9,795,722	39.70%
Savings and Loans	4	349,087	1.45%	318,122	1.22%	281,948	1.14%
Credit Unions	67	5,560,288	<sup>1</sup> 23.11%	4,792,151	18.43%	3,647,449	14.78%
<b>TOTAL</b>	<b>111</b>	<b>24,060,591</b>	<b>100.00%</b>	<b>26,002,466</b>	<b>100.00%</b>	<b>24,676,496</b>	<b>100.00%</b>
Chartered by the State of Maine	43	15,079,887	62.67%	11,062,924	42.55%	10,778,301	43.68%
Chartered by Other States	1	N/A	<sup>1</sup> N/A	11,729	0.04%	7,290	0.03%
Federally Chartered	67	8,980,704	<sup>1</sup> 37.33%	14,927,813	57.41%	13,890,905	56.29%
<b>TOTAL</b>	<b>111</b>	<b>24,060,591</b>	<b>100.00%</b>	<b>26,002,466</b>	<b>100.00%</b>	<b>24,676,496</b>	<b>100.00%</b>
In-State Ownership	104	24,060,591	100.00%	18,092,441	69.58%	16,821,998	68.17%
Out-of-State Ownership	7	N/A	<sup>1,2</sup> N/A	7,910,025	30.42%	7,854,498	31.83%
<b>TOTAL</b>	<b>111</b>	<b>24,060,591</b>	<b>100.00%</b>	<b>26,002,466</b>	<b>100.00%</b>	<b>24,676,496</b>	<b>100.00%</b>

<sup>1</sup> Maine assets are unavailable for the following multi-state banks and credit unions:

Bank of America, N.A.	Northeast Credit Union
KeyBank, National Association	People's United Bank
Navy Federal Credit Union	TD Bank, N.A.
	United Methodist Federal Credit Union

**2 Out of State Ownership:**

	Deposits/ Shares	Loans
Bank of America, N.A.	1,704,620	1,229,964
KeyBank, National Association	2,457,747	1,013,840
Navy Federal Credit Union	33,350	74,076
Northeast Credit Union	11,729	7,290
People's United Bank	762,191	884,345
TD Bank, N.A.	2,940,002	4,644,806
United Methodist Federal Credit Union	386	177
<b>TOTAL:</b>	<b>7,910,025</b>	<b>7,854,498</b>

**EXHIBIT II**

**ASSETS, DEPOSITS/SHARES, AND LOANS BY FACILITY TYPE  
(IN THOUSANDS)**

	06/30/07	06/30/08	06/30/09	06/30/10	06/30/11
<b>Commercial Banks Chartered by the State of Maine</b>					
Number of Institutions	10	6	5	5	5
Number of Offices	93	54	50	49	49
Assets	3,698,233	2,324,363	2,384,581	2,446,478	2,478,552
Deposits	2,597,012	1,597,101	1,578,709	1,647,610	1,736,435
Loans	2,640,283	1,640,416	1,606,171	1,647,479	1,624,382
<b>Commercial Banks Chartered by Other States</b>					
Number of Institutions	1				
Number of Offices	7				
Assets	N/A				
Deposits	201,315				
Loans	115,827				
<b>National Banks</b>					
Number of Institutions	6	5	5	5	5
Number of Offices	207	214	213	205	205
Assets	2,874,213	3,548,077	3,622,696	3,565,679	3,691,168
Deposits	8,857,274	9,102,622	9,682,144	10,303,635	9,666,742
Loans	7,715,431	7,918,395	8,031,088	10,864,364	9,326,995
<b>State Chartered Savings Banks</b>					
Number of Institutions	14	14	14	14	14
Number of Offices	170	176	180	181	186
Assets	9,109,810	9,815,406	10,211,778	10,499,563	10,833,931
Deposits	6,622,160	6,910,877	7,234,136	7,658,761	7,966,131
Loans	7,271,436	7,769,211	7,969,836	8,129,575	8,172,390
<b>Federal Savings Banks</b>					
Number of Institutions	2	5	4	4	4
Number of Offices	30	63	69	67	68
Assets	1,038,867	1,985,635	1,124,243	1,041,109	953,068
Deposits	849,142	1,538,290	1,605,618	1,589,457	1,522,885
Loans	760,616	1,607,701	1,804,023	1,617,678	1,623,332
<b>State Chartered Savings &amp; Loan Associations</b>					
Number of Institutions	2	2	1	1	1
Number of Offices	3	3	1	1	1
Assets	98,495	101,162	44,412	56,575	69,156
Deposits	71,244	77,745	39,530	51,513	63,092
Loans	86,915	91,686	34,201	40,380	45,552
<b>Federal Savings &amp; Loan Associations</b>					
Number of Institutions	3	3	3	3	3
Number of Offices	7	8	8	8	9
Assets	271,492	278,106	278,120	288,371	279,931
Deposits	204,916	211,789	218,052	230,787	255,030
Loans	240,284	242,248	240,745	247,299	236,396

**ASSETS, DEPOSITS/SHARES, AND LOANS BY FACILITY TYPE  
(IN THOUSANDS)**

	06/30/07	06/30/08	06/30/09	06/30/10	06/30/11
<b>State Chartered Credit Unions</b>					
Number of Institutions	13	12	12	12	12
Number of Offices	44	48	49	49	53
Assets	1,197,684	1,292,834	1,385,798	1,444,068	1,515,650
Shares/Deposits	1,002,378	1,080,994	1,160,980	1,241,340	1,297,266
Loans	851,852	901,632	922,513	932,162	935,977
<b>Credit Unions Chartered by Other States</b>					
Number of Institutions	1	1	1	1	1
Number of Offices	1	1	1	1	1
Assets	N/A	N/A	N/A	N/A	N/A
Shares/Deposits	10,688	9,930	10,116	10,783	11,729
Loans	10,074	8,622	8,859	7,558	7,290
<b>Federal Credit Unions</b>					
Number of Institutions	59	57	56	56	54
Number of Offices	135	138	139	140	142
Assets	3,203,968	3,399,344	3,668,192	3,899,997	4,044,638
Shares/Deposits	2,752,028	2,906,505	3,140,880	3,345,859	3,483,156
Loans	2,379,849	2,480,451	2,588,020	2,647,702	2,704,182
<b>State Chartered Merchant Banks</b>					
Number of Institutions	1	1	1	1	1
Assets	46,313	45,093	46,505	52,166	56,388
Deposits	N/A	N/A	N/A	N/A	N/A
Loans	0	663	0	0	0
<b>State Chartered Nondepository Trust Companies</b>					
Number of Institutions	9	8	9	9	10
Assets	94,089	76,604	123,526	108,125	126,210
Deposits	N/A	N/A	N/A	N/A	N/A
Loans	N/A	N/A	N/A	N/A	N/A
<b>Federal Nondepository Trust Companies</b>					
Number of Institutions	1	1	1	1	1
Assets	9,513	13,578	12,910	13,252	11,899
Deposits	N/A	N/A	N/A	N/A	N/A
Loans	N/A	N/A	N/A	N/A	N/A
<b>State Totals</b>					
Number of Institutions	122	115	112	112	111
Number of Offices	697	705	710	701	714
Assets	21,642,677	22,880,202	22,902,761	23,415,383	24,060,591
Shares & Deposits	23,168,157	23,435,853	24,670,165	26,079,745	26,002,466
Loans	22,072,567	22,661,025	23,205,456	26,134,197	24,676,496

**Note:** Maine deposits, shares, and loans for the following banks and credit unions operating in a multi-state environment are included in this exhibit; however, Maine assets are not available for:

Bank of America, National Association, Charlotte, North Carolina	Northeast Credit Union, Portsmouth, New Hampshire
KeyBank National Association, Cleveland, Ohio	TD Bank, N.A., Portland, Maine
People's United Bank, Bridgeport, Connecticut	Navy Federal Credit Union, Merrifield, Virginia
United Methodist Federal Credit Union, Montclair, California	

Tricorp FCU and TD Bank USA, financial institutions that are not open to the public, are excluded from this schedule.

**STATE CHARTERED  
COMMERCIAL BANKS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Joseph Murphy, President <b>BAR HARBOR BANK &amp; TRUST</b> 82 Main St. Bar Harbor, ME 04609	1,152,288	730,205	731,292
Earle Harvey, President <b>BORDER TRUST COMPANY</b> 227 Water St. Augusta, ME 04330	57,756	47,869	39,243
Scott Conant, President <b>DAMARISCOTTA BANK &amp; TRUST</b> 25 Main St. Damariscotta, ME 04543	157,032	138,797	112,656
Jon Prescott, President <b>KATAHDIN TRUST COMPANY</b> 11 Main St. Patten, ME 04765	521,099	417,396	427,639
James Delamater, President <b>NORTHEAST BANK</b> 500 Canal Street Lewiston, ME 04240-6594	590,377	402,168	313,552
<b>TOTAL: 5</b>	<b>2,478,552</b>	<b>1,736,435</b>	<b>1,624,382</b>

## EXHIBIT III

**STATE CHARTERED  
LIMITED PURPOSE BANKS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Daniel Hurley, III, President <b>BAR HARBOR TRUST SERVICES</b> 135 High St., PO Box 1100 Ellsworth, ME 04605	1,934	N/A	N/A
David McCabe, President <b>EATON VANCE TRUST COMPANY</b> 255 State Street Boston, MA 02109	10,449	N/A	N/A
John Keffer, President <b>FORUM TRUST, LLC</b> Two Portland Sq., PO Box 446 Portland, ME 04112	13,794	N/A	N/A
Thomas Forese, Jr., President <b>GLOBAL TRUST COMPANY</b> 4A Gill St. Woburn, MA 01801-1721	2,938	N/A	N/A
Michael Currie, President <b>H. M. PAYSON AND COMPANY</b> 1 Portland Sq., PO Box 31 Portland, ME 04101	7,311	N/A	N/A
Joseph Yohlin, President <b>MAINE MERCHANT BANK</b> 977 Congress St., Suite 1100 Portland, ME 04101	56,388	N/A	0
John Higgins, CEO <b>RAM TRUST COMPANY</b> 45 Exchange St. Portland, ME 04101	3,366	N/A	N/A
Robert Albanese, President <b>PENTEGRA TRUST COMPANY</b> 317 Madison Ave. New York, NY 10017	1,607	N/A	N/A
Richard Curran, Jr., President <b>SPINNAKER TRUST</b> 123 Free St., PO Box 7160 Portland, ME 04112-7160	910	N/A	N/A
Warren Eastman, President <b>TD AMERITRADE</b> 6940 Columbia Gateway Drive, Suite 200. Columbia, MD 21046	83,352	N/A	N/A
Charles Gaziano, CEO <b>WATCH POINT TRUST COMPANY, LLC</b> 100 Summer Street Boston, MA 02110	549	N/A	N/A
<b>TOTAL: 11</b>	<b>182,598</b>	<b>N/A</b>	<b>0</b>

## EXHIBIT III

**STATE CHARTERED  
SAVINGS BANKS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Paul Anderson, President <b>ANDROSCOGGIN SAVINGS BANK</b> 30 Lisbon St., PO Box 1407 Lewiston, ME 04240	699,609	517,279	553,682
James Conlon, President <b>BANGOR SAVINGS BANK</b> 99 Franklin St., PO Box 930 Bangor, ME 04402-0930	2,516,025	1,832,474	1,694,339
Glenn Hutchinson, President <b>BATH SAVINGS INSTITUTION</b> 105 Front St., PO Box 548 Bath, ME 04530-0548	620,028	473,378	397,695
Charles Petersen, President <b>BIDDEFORD SAVINGS BANK</b> 254 Main St., PO Box 525 Biddeford, ME 04005-0525	330,815	229,121	246,186
Peter Judkins, President <b>FRANKLIN SAVINGS BANK</b> 197 Main St., PO Box 825 Farmington, ME 04938-0825	321,639	235,189	261,022
Christopher Emmons, President <b>GORHAM SAVINGS BANK</b> 10 Wentworth Dr., PO Box 39 Gorham, ME 04038	919,883	649,040	633,929
Mark Johnston, President <b>KENNEBEC SAVINGS BANK</b> 150 State St., PO Box 50 Augusta, ME 04330	780,365	524,033	639,267
Bradford Paige, President <b>KENNEBUNK SAVINGS BANK</b> 104 Main St., P.O. Box 28 Kennebunk, ME 04043-0028	813,635	630,678	649,333
Lawrence Barker, President <b>MACHIAS SAVINGS BANK</b> 4 Center St., PO Box 318 Machias, ME 04654-0318	936,285	792,006	829,304
Richard Vail, President <b>MECHANICS' SAVINGS BANK</b> 100 Minot Ave., PO Box 400 Auburn, ME 04210	316,273	238,641	276,120

**STATE CHARTERED  
SAVINGS BANKS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Robert Harmon, President <b>NORWAY SAVINGS BANK</b> 261 Main St., PO Box 347 Norway, ME 04268	943,287	706,493	781,410
Kevin Savage, President <b>SACO AND BIDDEFORD SAVINGS INSTITUTION</b> 252 Main St., PO Box 557 Saco, ME 04073	755,960	513,771	593,170
Mark Mickeriz, President <b>SANFORD INSTITUTION FOR SAVINGS</b> 900 Main St., PO Box 472 Sanford, ME 04073	425,852	314,469	322,237
John Witherspoon, President <b>SKOWHEGAN SAVINGS BANK</b> 13 Elm St., PO Box 250 Skowhegan, ME 04976	454,275	309,559	294,696
<b>TOTAL: 14</b>	<b>10,833,931</b>	<b>7,966,131</b>	<b>8,172,390</b>

**STATE CHARTERED  
SAVINGS AND LOAN ASSOCIATIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
William Weir, President <b>BAR HARBOR SAVINGS AND LOAN ASSOCIATION</b> 103 Main St. Bar Harbor, ME 04609	69,156	63,092	45,552
<b>TOTAL: 1</b>	<b>69,156</b>	<b>63,092</b>	<b>45,552</b>



EXHIBIT III

**STATE CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Matthew Griffiths, CEO <b>COAST LINE CREDIT UNION</b> 333 Cottage Rd. South Portland, ME 04106	45,611	34,152	30,362
Donna Steckino, CEO <b>COMMUNITY CREDIT UNION</b> 144 Pine St., PO Box 7810 Lewiston, ME 04240	44,101	39,314	31,890
Eugene Ardito, CEO <b>cPORT CREDIT UNION</b> 50 Riverside Industrial Pkwy., PO Box 777 Portland, ME 04101-0777	132,217	118,805	82,313
David Tozier, CEO <b>DOWN EAST CU</b> 23 Third Ave., PO Box 130 Baileyville, ME 04694	86,399	70,723	71,571
H. Tucker Cole, CEO <b>EVERGREEN CREDIT UNION</b> 225 Riverside St. Portland, ME 04103	207,754	190,928	140,263
Richard Dupuis, CEO <b>FIVE COUNTY CREDIT UNION</b> 765 Washington St., PO Box 598 Bath, ME 04530-0598	187,236	161,789	119,039
Richard Lachance, CEO <b>MAINE EDUCATION CREDIT UNION</b> 23 University Dr., PO Box 1096 Augusta, ME 04330-1096	28,872	25,522	17,184
Normand Dubreuil, CEO <b>MAINE STATE CREDIT UNION</b> 200 Capital St., PO Box 5659 Augusta, ME 04332-5659	331,509	280,859	129,400
Luke Labbe, CEO <b>PEOPLESCHOICE CREDIT UNION</b> 35 Bradbury St., PO Box 463 Biddeford, ME 04005	130,609	115,971	81,147
Shelly Page, CEO <b>SABATTUS REGIONAL CREDIT UNION</b> 2 Middle Rd., PO Box 250 Sabattus, ME 04280	33,150	29,596	16,985

**STATE CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Shares &amp; Deposits</u>	<u>Loans</u>
Carrie Shaw, CEO <b>SACO VALLEY CREDIT UNION</b> 312 Main St., PO Box 740 Saco, ME 04072-0740	86,849	79,170	63,675
Matthew Walsh, CEO <b>UNIVERSITY CREDIT UNION</b> Rangeley Rd. University of ME Orono, ME 04469-5779	201,343	150,437	152,148
<b>TOTAL: 12</b>	<hr/> <b>1,515,650</b>	<hr/> <b>1,297,266</b>	<hr/> <b>935,977</b>

**STATE CHARTERED  
CREDIT UNIONS  
CHARTERED BY OTHER STATES**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Shares &amp; Deposits</u>	<u>Loans</u>
Peter Kavalauskas, CEO <b>NORTHEAST CREDIT UNION</b> 100 Borthwick Ave. Portsmouth, NH 03801 1 Maine branch: Kittery	N/A	11,729	7,290
<b>TOTAL: 1</b>	<hr/> <b>N/A</b>	<hr/> <b>11,729</b>	<hr/> <b>7,290</b>

*Note: Maine shares and loans for Northeast Credit Union, which operates in a multi-state environment, are included in this exhibit; however, Maine assets are not available.*

## EXHIBIT III

**FEDERALLY CHARTERED  
NATIONAL BANKS  
AUTHORIZED TO DO BUSINESS IN MAINE**

		06/30/11 \$ in (000's)	
	<u>Assets</u>	<u>Deposits</u>	<u>Loans</u>
Betsey Timm, Regional President <b>BANK OF AMERICA, N.A.</b> 2 Portland Sq. Portland, ME 04101	N/A	1,704,620	1,229,964
Gregory Dufour, President <b>CAMDEN NATIONAL BANK</b> 2 Elm St., PO Box 310 Camden, ME 04843	2,307,161	1,564,791	1,551,456
Sterling Kozlowski, District President <b>KEYBANK, NATIONAL ASSOCIATION</b> One Monument Sq., PO Box 678 Portland, ME 04112	N/A	2,457,747	1,013,840
Lawrence Wold, Maine President <b>TD BANK, N.A.</b> One Portland Sq., PO Box 9540 Portland, ME 04112	N/A	2,940,002	4,644,806
Daniel Daigneault, President <b>THE FIRST, N.A.</b> 223 Main St., PO Box 940 Damariscotta, ME 04543	1,384,007	999,582	886,929
<b>TOTAL: 5</b>	<u><u>3,691,168</u></u>	<u><u>9,666,742</u></u>	<u><u>9,326,995</u></u>

*Note: Maine deposits and loans for the following banks authorized to do business in a multi-state environment are included in this exhibit; however, Maine assets are not available:*

*Bank of America, N.A.*

*KeyBank, National Association*

*TD Bank, N.A.*

**FEDERALLY CHARTERED  
NONDEPOSITORY TRUST COMPANIES  
AUTHORIZED TO DO BUSINESS IN MAINE**

		06/30/11 \$ in (000's)	
	<u>Assets</u>	<u>Deposits</u>	<u>Loans</u>
Gregory DuFour, President <b>ACADIA TRUST, NATIONAL ASSOCIATION</b> 511 Congress St. Portland, ME 04101	11,899	N/A	N/A
<b>TOTAL: 1</b>	<u><u>11,899</u></u>	<u><u>N/A</u></u>	<u><u>N/A</u></u>

**FEDERALLY CHARTERED  
SAVINGS BANKS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Allen Sterling, President <b>AUBURN SAVINGS BANK, FSB</b> 256 Court St., PO Box 3157 Auburn, ME 04210	78,182	54,025	68,353
John Everets, CEO <b>BANK OF MAINE</b> 190 Water St., PO Box 190 Gardiner, ME 04345-0190	793,083	639,957	599,505
<b>PEOPLE'S UNITED BANK</b> Samuel Ladd, President, Maine Southern Division 467 Congress St. Portland, ME 04101 William Lucy, President, Maine Northern Division 201 Maine St. Bangor, ME 04401	N/A	762,191	884,345
Harry Mank, Jr., President <b>ROCKLAND SAVINGS BANK, FSB</b> 582 Main St. Rockland, ME 04841	81,803	66,712	71,129
<b>TOTAL: 4</b>	<u>953,068</u>	<u>1,522,885</u>	<u>1,623,332</u>

*Note: Maine deposits and loans for People's United Bank, which operates in a multi-state environment, are included in this exhibit; however, Maine assets are not available.*

EXHIBIT III

**FEDERALLY CHARTERED  
SAVINGS AND LOAN ASSOCIATIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
John Swanberg, President <b>AROOSTOOK COUNTY FEDERAL SAVINGS AND LOAN ASSOCIATION</b> 43 High St., PO Box 808 Caribou, ME 04736-0808	97,771	87,856	79,507
Andrew Perry, President <b>FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF BATH</b> 125 Front St., PO Box 488 Bath, ME 04530	103,801	113,838	93,516
Allen Rancourt, President <b>KENNEBEC FEDERAL SAVINGS AND LOAN ASSOCIATION</b> 70 Main St., PO Box 488 Waterville, ME 04903-0497	78,359	53,336	63,373
<b>TOTAL: 3</b>	<b>279,931</b>	<b>255,030</b>	<b>236,396</b>

**FEDERALLY CHARTERED  
LIMITED PURPOSE FINANCIAL INSTITUTIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

Suzanne Clermont, President  
**TD BANK USA, NATIONAL ASSOCIATION**  
One Portland Square  
Portland, ME 04101

Stephen Roy, President  
**TRICORP FEDERAL CREDIT UNION**  
2 Ledgeview Drive  
Westbrook, ME 04092

**FEDERALLY CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
David Desjardins, CEO <b>ACADIA FEDERAL CU</b> 9 East Main St. Fort Kent, ME 04743-1398	93,940	78,311	71,808
Roger Sirois, CEO <b>ATLANTIC REGIONAL FEDERAL CU</b> 55 Cushing St., PO Box 188 Brunswick, ME 04011-0188	245,249	210,956	145,590
Stephen Clark, CEO <b>BANGOR FEDERAL CU</b> 339 Hogan Rd., PO Box 1161 Bangor, ME 04401-1161	113,940	104,390	91,224
Mary Pinkham, CEO <b>BLUE CROSS AND BLUE SHIELD OF ME FEDERAL CU</b> 2 Gannett Dr. South Portland, ME 04106-6911	6,699	5,441	3,842
Richard Kaul, CEO <b>BREWER FEDERAL CU</b> 77 N. Main St., PO Box 189 Brewer, ME 04412-0189	44,247	40,216	34,989
Diana Winkley, CEO <b>CAPITAL AREA FEDERAL CU</b> 10 North Belfast Ave., PO Box 2626 Augusta, ME 04438	22,180	20,014	17,552
James Stone, CEO <b>CASCO FEDERAL CU</b> 375 Main St., PO Box 87 Gorham, ME 04038-0087	35,712	31,519	23,341
Vicki Stuart, CEO <b>CENTRAL MAINE FEDERAL CU</b> 1000 Lisbon St., PO Box 1746 Lewiston, ME 04241-1746	82,709	71,829	34,367
Darla King, CEO <b>CHANGING SEASONS FEDERAL CU</b> 193 Broad St. STE 3 Bangor, ME 04401-6323	20,585	18,366	14,817
Scott Harriman, CEO <b>CUMBERLAND COUNTY FEDERAL CU</b> 101 Gray Rd. Falmouth, ME 04105-2514	141,155	125,172	82,424

EXHIBIT III

**FEDERALLY CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Ralph Ferland, CEO <b>EASTERN MAINE MEDICAL CENTER FEDERAL CU</b> 489 State St. Bangor, ME 04401-6616	44,073	39,477	23,089
Daniel Byron, CEO <b>EASTMILL FEDERAL CU</b> 60 Main St. East Millinocket, ME 04430-1128	58,549	47,835	16,294
Cass Hirschfelt, CEO <b>FRANKLIN SOMERSET FEDERAL CU</b> 485 Wilton Rd., PO Box 5061 Farmington, ME 04938-9600	69,159	62,302	38,660
Philip Bergeron, CEO <b>GARDINER FEDERAL CU</b> 8 Brunswick Rd. RR 5 Box 105 Gardiner, ME 04345-9006	32,046	28,733	20,986
Nancy Bard, CEO <b>GREAT FALLS REGIONAL FCU</b> 34 Bates St. Lewiston, ME 04240	24,214	19,645	9,122
Deborah Pomeroy, CEO <b>HEALTHFIRST FEDERAL CU</b> 9 Quarry Rd. Waterville, ME 04901	16,507	15,118	14,406
Gary Bragdon, CEO <b>HOWLAND ENFIELD FEDERAL CU</b> 4 Coffin St., PO Box 405 Howland, ME 04448-0405	7,898	7,329	4,614
Kenneth Williams, CEO <b>INFINITY FEDERAL CU</b> 202 Larrabee Rd., PO Box 9742 Westbrook, ME 04104-5060	264,322	169,677	138,870
Christine Devine, CEO <b>KV FEDERAL CU</b> 316 Northern Ave., PO Box 2108 Augusta, ME 04338	54,774	48,991	27,978
Donald Casco, CEO <b>KATAHDIN FEDERAL CU</b> 1000 Central St. Millinocket, ME 04462-2193	68,826	59,533	41,003

**FEDERALLY CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Deseree Gilman, CEO <b>KSW FEDERAL CU</b> 222 College Ave. Waterville, ME 04901	39,224	34,951	30,281
Amanda Piper, CEO <b>LEWISTON MUNICIPAL FEDERAL CU</b> 291 Pine St., PO Box 60 Lewiston, ME 04243-0060	18,140	16,299	8,711
Cris Kinney, CEO <b>LINCOLN MAINE FEDERAL CU</b> 171 W Broadway, PO Box 220 Lincoln, ME 04457-0220	42,734	38,647	31,796
George Roy, CEO <b>LISBON COMMUNITY FEDERAL CU</b> 325 Lisbon Rd., O Box 878 Lisbon, ME 04240-0878	73,762	64,553	49,607
Rachel Caron, CEO <b>MAINE FAMILY FEDERAL CU</b> 555 Sabattus St. Lewiston, ME 04240-4195	110,538	100,002	66,309
Rhonda Taylor, CEO <b>MAINE HIGHLANDS FEDERAL CU</b> 73 Main St., PO Box 233 Dexter, ME 04930-0233	79,964	72,659	53,842
Jennifer Hartel, CEO <b>MAINE MEDIA FEDERAL CU</b> 390 Congress St., PO Box 7702 Portland, ME 04112-7702	4,350	3,321	2,567
John Reed, CEO <b>MAINE SAVINGS FEDERAL CU</b> 1101 Western Ave., PO Box 347 Hampden, ME 04444-0347	224,758	202,604	172,372
Gail Richardson, CEO <b>MIDCOAST FEDERAL CU</b> 831 Middle St., PO Box 780 Bath, ME 04530-0780	117,590	104,476	66,793
Marguerite Gagne, CEO <b>MONMOUTH FEDERAL CU</b> 1176 Main St., PO Box 150 Monmouth, ME 04259-0150	14,046	12,844	8,872



## EXHIBIT III

**FEDERALLY CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Cutler Dawson, CEO <b>NAVY FEDERAL CU<sup>3</sup></b> P. O. Box 3000 Merrifield, VA 22119 1 Maine branch: Brunswick	N/A	33,350	74,076
Ryan Poulin, CEO <b>NEW DIMENSIONS FEDERAL CU</b> 61 Grove St. Waterville, ME 04901-5826	59,811	49,714	39,259
David Rossignol, CEO <b>NORSTATE FEDERAL CU</b> 78 Fox St. Madawaska, ME 04756	142,950	118,725	118,859
Robert Begin, CEO <b>OCEAN COMMUNITIES FEDERAL CU</b> 1 Pool St., PO Box 1961 Biddeford, ME 04005-1961	138,337	121,780	113,135
Roland Poirier, CEO <b>OTIS FEDERAL CU</b> 170 Main St., PO Box 27 Jay, ME 04329-0027	122,320	101,374	72,032
Matthew Kaubris, CEO <b>OXFORD FEDERAL CU</b> 225 River Rd., PO Box 252 Mexico, ME 04257-0252	133,939	116,167	100,638
Steve Baillargeon, CEO <b>PENOBSCOT COUNTY FEDERAL CU</b> 191 Main St., PO Box 434 Old Town, ME 04468-0434	46,025	42,159	35,436
John Barry, CEO <b>PORTLAND MAINE POLICE DEPARTMENT FEDERAL CU</b> 109 Middle St. Portland, ME 04101	6,888	6,309	5,670
Lillian Turner, CEO <b>R.C.H. FEDERAL CU</b> 420 Franklin St. Rumford, ME 04276	368	298	151

<sup>3</sup> Note: Maine shares and loans for Navy Federal Credit Union, which operates in a multi-state environment, are included in this exhibit; however, Maine assets are not available.

**FEDERALLY CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Philippe Moreau, CEO <b>RAINBOW FEDERAL CU</b> 391 Main St., PO Box 741 Lewiston, ME 04243-0741	161,653	128,752	86,413
Kyle Casburn, CEO <b>SEABOARD FEDERAL CU</b> 177 Main St., PO Box G Bucksport, ME 04416-1207	100,942	91,451	79,114
James Lemieux, CEO <b>SEBASTICOOK VALLEY FEDERAL CU</b> 14 Seabasticook St., PO Box 10 Pittsfield, ME 04967-0010	66,258	55,656	52,728
Diana Garcia, CEO <b>SEMICONDUCTOR OF ME FEDERAL CU</b> 333 Western Ave. South Portland, ME 04106-0022	14,094	12,375	6,475
Susan Thurlow, CEO <b>SHAW'S EMPLOYEES FEDERAL CU</b> 205 Spencer Dr. Wells, ME 04090-5553	7,519	5,460	2,436
MaryAnn Chamberlain, CEO <b>ST. AGATHA FEDERAL CU</b> 315 Mason St., PO Box 130 Saint Agatha, ME 04772-0130	15,256	13,943	9,375
Karen Denis, CEO <b>TACONNET FEDERAL CU</b> 60 Benton Ave. Winslow, ME 04901-6798	54,397	51,325	30,958
Kenneth Hensler, CEO <b>THE COUNTY FEDERAL CU</b> 82 Bennett Dr., PO Box 939 Caribou, ME 04736-1944	164,535	147,090	96,638
David Libby, CEO <b>TOWN &amp; COUNTRY FEDERAL CU</b> 557 Main St., PO Box 9420 South Portland, ME 04106-9420	209,346	186,226	157,865
J. Hunter King, CEO <b>TRADEMARK FEDERAL CU</b> 44 Edison Dr., PO Box 1056 Augusta, ME 04332-1056	72,294	62,567	39,901

EXHIBIT III

**FEDERALLY CHARTERED  
CREDIT UNIONS  
AUTHORIZED TO DO BUSINESS IN MAINE**

	<u>Assets</u>	06/30/11 \$ in (000's) <u>Deposits</u>	<u>Loans</u>
Kenneth Acker, CEO <b>TRUCHOICE FEDERAL CU</b> 272 Park Ave., PO Box 10659 Portland, ME 04104-6059	76,142	66,484	56,282
Ramon Noperi, CEO <b>UNITED METHODIST FEDERAL CU<sup>4</sup></b> 9040 Benson Ave. Montclair, CA 91763 1 Maine branch: Westbrook	N/A	386	177
Cathy Bond, CEO <b>WINSLOW COMMUNITY FEDERAL CU</b> 12 Monument St., PO Box 8117 Winslow, ME 04901	26,640	24,053	12,276
Jeffrey Seguin, CEO <b>WINTHROP AREA FEDERAL CU</b> 22 Highland Ave., PO Box 55 Winthrop, ME 04364	55,729	50,271	31,142
James Nelson, CEO <b>YORK COUNTY FEDERAL CU</b> 1516 Main St. Sanford, ME 04073-3530	197,305	142,031	137,020
<b>TOTAL: 54</b>	<b>4,044,638</b>	<b>3,483,156</b>	<b>2,704,182</b>

<sup>4</sup> Note: Maine shares and loans for United Methodist Federal Credit Union, which operates in a multi-state environment, are included in this exhibit; however, Maine assets are not available.

**EXHIBIT IV**

**BANK AND CREDIT UNION LOCATIONS**

**Androscoggin Savings Bank**

**30 Lisbon Street  
Lewiston, ME 04240**

Locations in Auburn, Brunswick, Gray, Jay, Lewiston, Lisbon Falls, Livermore Falls, Portland, South Paris and Turner

**Bangor Savings Bank**

**3 State Street  
Bangor ME 04401**

**Locations in** Augusta, Bangor, Belfast, Biddeford, Brewer, Bucksport, Calais, Castine, Dexter, East Millinocket, Dover Foxcroft, Dixfield, Cornish, Eastport, Ellsworth, Falmouth, Farmington, Greenville, Hampden, Hartland Hollis Center, Houlton, Howland, Jonesport, Lewiston, Lincoln, Machias, Madison, Millinocket, Monmouth, Old Town, Orono, Pittsfield, Portland, Rockland, Rockport, Rumford, Saco, Scarborough, Searsport, Skowhegan, South Portland, Unity, Waterville, Winslow and York

**Bar Harbor Bank & Trust**

**82 Main Street  
Bar Harbor ME 04609**

**Locations in** Bar Harbor, Blue Hill, Deer Isle, Ellsworth, Lubec, Machias, Milbridge, Mount Desert, Rockland, Northeast Harbor, Somesville, Southwest Harbor and Winter Harbor

**Bar Harbor Savings and Loan Association**

**103 Main Street  
Bar Harbor, ME 04609**

**Bar Harbor Trust Services**

**135 High St  
Ellsworth, ME 04605**

**Bath Savings Institution**

**105 Front Street  
Bath, ME 04530**

**Locations in** Bath, Boothbay Harbor, Brunswick, Damariscotta, Falmouth, Freeport, Portland, Topsham and Yarmouth

**Biddeford Savings Bank**

**254 Main Street  
Biddeford, ME 04005**

**Locations in** Biddeford, Kennebunk, Scarborough and Waterboro

**Border Trust Company**

**227 Water Street  
Augusta, ME 04330**

**Locations in** Augusta, South China and Topsham

**Coast Line Credit Union**

**333 Cottage Road  
South Portland, ME 04106**

**Community Credit Union**

**144 Pine Street  
Lewiston, ME 04240**

**Locations in** Auburn and Lewiston

**EXHIBIT IV**

**BANK AND CREDIT UNION LOCATIONS**

**cPort Credit Union**

**50 Riverside Industrial Parkway  
Portland, ME 04101**

**Locations in** Augusta, Portland and Scarborough

**Damariscotta Bank & Trust**

**25 Main Street  
Damariscotta ME 04543**

**Locations in** Belfast, Damariscotta, New Harbor, Union and Warren

**Down East Credit Union**

**23 Third Avenue  
Baileyville, ME 04694**

**Locations in** Baileyville, Bangor, Belfast, Calais, Machias, Richmond, Topsham and Unity

**Eaton Vance Trust Company**

**255 State St  
Boston MA 02109**

**Evergreen Credit Union**

**225 Riverside Street  
Portland, ME 04101**

**Locations in** Naples, Portland, South Portland and Windham

**Five County Credit Union**

**765 Washington Street  
Bath ME 04530**

**Locations in** Auburn, Augusta, Bath, Brunswick, Falmouth, Lewiston, Lisbon, Portland, Rockland, Scarborough, Skowhegan, Topsham, Waterville and Windham

**Forum Trust, LLC**

**Two Portland Square  
Portland, ME 04101**

**Franklin Savings Bank**

**197 Main Street  
Farmington, ME 04938**

**Locations in** Farmington, Jay, Mexico, Rangeley, Rumford, Skowhegan and Wilton

**Global Trust Company**

**4A Gill Street  
Woburn MA 01801**

**Gorham Savings Bank**

**64 Main Street  
Gorham, ME 04038**

**Locations in** East Waterboro, Falmouth, Gorham, Portland, Scarborough, South Portland, Standish and Windham

**H.M. Payson & Co.**

**1 Portland Square  
Portland, ME 04101**

**EXHIBIT IV**

**BANK AND CREDIT UNION LOCATIONS**

**Katahdin Trust Company**

**11 Main Street  
Patten, ME 04765**

**Locations in** Ashland, Bangor, Caribou, Eagle Lake, Easton, Fort Fairfield, Hampden, Houlton, Island Falls, Limestone, Mars Hill, Oakfield, Patten, Presque Isle, Scarborough, Van Buren and Washburn

**Kennebec Savings Bank**

**150 State Street  
Augusta, ME 04332**

**Locations in** Augusta, Gardiner, Hallowell, Waterville and Winthrop

**Kennebunk Savings Bank**

**104 Main Street  
Kennebunk, ME 04043**

**Locations in** Berwick, Biddeford, Eliot, Kennebunk, Kittery, North Berwick, Ogunquit, Sanford, Wells, Springvale, York and Portsmouth NH

**Machias Savings Bank**

**4 Center Street  
Machias, ME 04654**

**Locations in** Baileyville, Bangor, Bar Harbor, Calais, Columbia Falls, Danforth, Ellsworth, Houlton, Lincoln, Machias, Princeton and Rockland

**Maine Education Credit Union**

**15 University Drive  
Augusta, ME 04330**

**Locations in** Augusta

**Maine Merchant Bank**

**977 Congress St  
Portland, ME 04101**

**Maine State Credit Union**

**200 Capitol Street  
Augusta, ME 04330**

**Locations in** Augusta and Waterville

**Mechanics Savings Bank**

**100 Minot Avenue  
Auburn, ME 04210**

**Locations in** Auburn, Windham and Lewiston

**Northeast Bank**

**500 Canal Street  
Lewiston, ME 04240**

**Locations in** Auburn, Augusta, Bethel, Brunswick, Buckfield, Harrison, Lewiston, Poland, Portland and South Paris

**Norway Savings Bank**

**261 Main Street  
Norway, ME 04268**

**Locations in** Bethel, Bridgton, Brunswick, Falmouth, Freeport, Fryeburg, Gorham, Naples, Norway, Portland, Topsham, Saco, Scarborough, South Paris, South Portland, Standish, Windham and Yarmouth

**EXHIBIT IV**

**BANK AND CREDIT UNION LOCATIONS**

**Pentegra Trust Company**  
317 Madison Ave  
New York NY 10017

**PeoplesChoice Credit Union**  
23 Industrial Park Road  
Saco, ME 04072  
Locations in Biddeford, Saco, Sanford and Wells

**Ram Trust Company**  
45 Exchange St  
Portland, ME 04101

**Sabattus Reginal Credit Union**  
2 Middle Road  
Sabattus, ME 04280

**Saco and Biddeford Savings Institutions**  
252 Main Street  
Saco, ME 04280  
Locations in Biddeford, Old Orchard Beach, Saco, Scarborough, South Portland and Westbrook

**Saco Valley Credit Union**  
312 Main Street  
Saco, ME 04072  
Locations in Saco and Waterboro

**Sanford Institution for Savings**  
900 Main Street  
Sanford, ME 04093  
Locations in Buxton, East Waterboro, Limerick, Sanford, South Sanford, Springvale, Wells and York

**Skowhegan Savings Bank**  
13 Elm Street  
Skowhegan, ME 04976  
Locations in Belgrade, Bingham, Dexter, Fairfield, Jackman, Madison, Norridgewock, Pittsfield and Skowhegan

**Spinnaker Trust**  
5 Milk St  
Portland, ME 04101

**TD Ameritrade**  
6940 Columbia Gateway Dr  
Columbia MD 21046

**University Credit Union**  
139 Rangeley Road  
Orono, ME 04473  
Locations in Bangor, Farmington, Orono, Portland and Presque Isle