

# **CAMDEN NATIONAL BANK**

## **COMMUNITY REINVESTMENT ACT STATEMENT**

The Office of the Comptroller of the Currency (OCC) pursuant to the Community Reinvestment Act of 1977, has adopted regulations designed to encourage OCC regulated institutions to help meet community credit needs in accordance with their particular skills and resources, and consistent with safe and sound banking operations.

In addition, the regulations require that OCC governed financial institutions adopt a Community Reinvestment Act Statement, which outlines the institutions efforts in helping meet the local community credit needs.

This Community Reinvestment Act Statement contains the public Community Reinvestment Act Notice, defines the local community for Camden National Bank, states the types of credit available to qualified borrowers and outlines this Bank's efforts to meet the credit needs of the community.

### **Community Reinvestment Act Notice**

Under the Federal Community Reinvestment Act (CRA), the Comptroller of the Currency evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The Comptroller also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and performance under CRA. You may review today the public section of our most recent CRA Evaluation, prepared by the Comptroller, and a list of services provided at this branch. You may also access the CRA Public File on the Internet at [www.CamdenNational.com](http://www.CamdenNational.com).

Furthermore, you may have access to the following additional information, which we will make available to you at this branch within five calendar days after you make a request to us: (1) A map showing the assessment area containing this branch, which is the area in which the Comptroller evaluates our CRA performance in this community; (2) information about our branches in this assessment area; (3) a list of services we provide at those locations; (4) data on our lending performance in this assessment area; and (5) copies of all written comments received by us that specifically relate to our CRA performance in this assessment area, and any responses we have made to those comments. If we are operating under an approved strategic plan, you may have access to a copy of the plan.

If you would like to review information about our CRA performance in other communities served by us, the public file for our entire bank is available at:

Main Office, 2 Elm Street, Camden, ME 04843

At least 30 days before the beginning of each quarter, the Comptroller publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Deputy Comptroller, Office of the Comptroller of the Currency, 340 Madison Avenue, 5<sup>th</sup> Floor, New York, NY 10173-0002. You may send written comments about our performance in

helping to meet community credit needs to Vera Roberts, CRA Officer, Camden National Bank, P.O. Box 310, 2 Elm Street, Camden, Maine 04843, and Deputy Comptroller, Officer of the Comptroller of the Currency, 340 Madison Avenue, 5<sup>th</sup> Floor, New York, NY 10173-0002. Your letter, together with any response by us, will be considered by the Comptroller in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the Deputy Comptroller. You may request from the Deputy Comptroller an announcement of our applications covered by the CRA filed with the Comptroller. We are an affiliate of Camden National Corporation, a bank holding company. You may request from the Community Affairs Officer, Federal Reserve Bank of Boston, 600 Atlantic Avenue, Boston, MA 02210 an announcement of applications covered by the CRA filed by bank holding companies.

### **DELINEATION OF ASSESSMENT AREA**

The Office of the Comptroller of the Currency (OCC) requires its regulated banks to review at least annually, a delineation of the “assessment area” which the bank serves. Among the ways suggested for delineating an assessment area is defining that area around each office or group of offices where the bank makes a substantial portion of its loans. This CRA statement reflects information and activity based upon the delineation method described above.

Camden National Bank’s assessment area is delineated as the local communities in which it has branches to include; Auburn, Augusta (4), Bangor (3), Bath, Belfast (2), Bingham, Blue Hill, Boothbay Harbor, Brewer, Brunswick (2), Bucksport, Camden (2), Calais, Castine, Corinth, Damariscotta, Dover-Foxcroft, Ellsworth (2), Falmouth, Gardiner, Greenville, Hallowell, Hampden, Hermon, Jonesport, Kennebunk, Lewiston, Machias, Madison, Manchester, Milbridge, Milo, Newport, Oakland, Old Town, Orono, Portland (2), Randolph, Richmond, Rockland, Saco, Stonington, Thomaston, Topsham, Town Hill, Union, Vinalhaven, Waldoboro, Waterville (2), Winthrop, Wiscasset, York

### **TYPES OF CREDIT**

Consistent with profitable and prudent lending and the availability of funds, the Bank is prepared to extend credit to qualified borrowers through the following types of credit:

- A. Residential mortgage loans for one to four family dwellings, both fixed and adjustable rates, FHA, VA, RHS and MSHA loans.
- B. Home equity lines of credit and second mortgage loans, on owner-occupied and second home, one to four family dwellings.
- C. Commercial loans both unsecured and secured by real estate in the Bank’s defined lending area and in other areas of the State as opportunities arise. Includes SBA, FAME and other government lending programs
- D. Unsecured personal and home improvement loans to individuals.
- E. Collateral loans on marketable securities.
- F. Savings and regular certificate collateral loans.
- G. Second mortgages.

## **DETERMINATION OF COMMUNITY CREDIT NEEDS**

Camden National Bank actively assesses the credit needs of the community through a number of activities, including but not limited to, community involvement, market research, and advertising and marketing programs.

### ***Community Involvement***

The Staff, Officers and Directors of Camden National Bank participate in local civic functions in an effort to help these organizations meet their commitments and gain exposure to these groups.

Some examples are:

Chambers of Commerce  
Board of Realtors  
Service Club Organizations  
Other charitable, non-profit and community groups

### ***Market Research***

Camden National Bank utilizes both informal and formal market research techniques from time to time to keep in touch with our customers, our community and their needs for banking services. All loan applications received by this Bank are tracked by census tract to give management the data necessary to determine the results of its efforts. As part of these efforts we regularly stay in touch with various surveys and research completed by other local and regional organizations that compile data on consumer needs.

### ***Marketing and Advertising***

Camden National Bank utilizes marketing and advertising programs, which inform the community about deposit and credit services we offer. These take the form of advertisements in newspapers in general circulation mediums as well as special interest mediums designed to communicate with special market segments. In addition, the organization utilizes radio advertisements, direct mail, the Internet and other miscellaneous forms of marketing and advertising.

## **BRANCH CLOSING POLICY**

Camden National Bank is committed to having a distribution system that effectively and efficiently delivers services to our customers. Traditionally, that distribution system has consisted primarily of our branch network. Today, it is increasingly difficult to make full-service branches competitive and profitable. Accordingly, we must re-evaluate the viability of our branches periodically and may, in some cases, have to close them.

Our policy with respect to branches that may need to be closed is as follows:

### **Before closing a branch:**

1. We will make every attempt to develop a standard evaluation format regarding the profitability of the branch including return on equity measures, where possible.

2. We will try to identify changes in staffing, products offered, use of floor space, etc., that could make an unprofitable branch profitable.
3. We will try to identify ways to increase the volume or mix of business at the branch to increase its profitability.
4. If we consider closing a branch in a lower income or minority area, we will meet with neighborhood representatives (elected and from volunteer organizations) to discuss measures that could help keep the branch open or make its closing as convenient as possible to area customers.

**If we must close a branch:**

1. We will notify the Office of the Comptroller of Currency (OCC) and the FDIC at least 90 days prior to the proposed closing date. The following information will be included in the notice:
  - a. Identification of the branch to be closed.
  - b. The proposed date of closing.
  - c. A detailed statement of the reasons for the decision to close the branch.
  - d. Statistical or other information in support of such reasons.
2. We will give the community at least 90-days notice, through either direct mailing and/or a notice in the regular account statements, to each of the closing branch's customers and we will post signs in the closing branch at least 30 days before the scheduled closing date. The mailed and posted notices will include:
  - a. The location of the branch to be closed.
  - b. The proposed date of the closing.
  - c. The location of other branches where the customer may obtain service or a telephone number to call for such information.
3. "Branch Customers" will be determined using a "reasonable" method, based on the Bank's current system to identify branch customers. A "branch customer" is a customer who has opened a deposit or installment loan at the branch to be closed. All mortgage account customers are considered to be customers at the Main Office. As systems change, the Bank may use other means of allocating customers, but always by the use of a "reasonable" method.
4. We will make it as easy as possible for customers of a closed branch to continue to bank with us. Instructions on the use and locations of ATMs, Direct Deposit, Bank by Mail, Telephone Banking, Online and Mobile banking will be made available. The Bank may also consider expanding ATM services in the area affected. In addition, customers will be encouraged to visit the nearest branch, and the Bank personnel will be trained to assist customers in the transition process.

**AMENDMENT OF POLICY:**

The Compliance Officer or CRA Officer of the Bank will recommend to management and the Enterprise Risk Management Committee any future changes in this policy. Changes might be recommended because of new or changed laws or regulations, or as a result of our review mechanisms.

## **BOARD OF DIRECTORS INVOLVEMENT**

The Board of Directors of the Bank represent a local cross section of the Bank's market area and are actively involved in local community efforts, politics and business, reflecting a continued commitment to the community. The Board acts as both an outreach group to the community and as a sounding board for community groups and the Bank's management. The Board and its committees continually monitor the Bank's lending policies and practices to ensure that it does not discriminate in the extension of credit on the basis of race, color, religion, national origin, sex, marital status or age and takes an active role in informing the community at large about the Bank and its products and services.