

SUPERVISORY AGREEMENT

This Supervisory Agreement ("Agreement") is made and is effective this 15th day of September, 1993 (the "Effective Date"), by and between Ronald J. Goguen, a stockholder of Bethel Bancorp ("Bancorp") the holding company for Bethel Savings Bank, FSB ("BFSB" or the "Association"), a federally-chartered savings bank having its principal place of business at Bethel, Maine, on behalf of himself and any and all entities owned or controlled by him (as defined at 12 C.F.R. § 574.4) and any and all "affiliates" of his (as defined at 12 C.F.R. § 574.2(d)), including, but not limited to, Square Lake Holding Corporation (collectively, the "Stockholder"); Mr. James D. Delamater, President of Bancorp and BFSB; and Messrs. Philip C. Jackson and Ronald C. Kendall, directors of Bancorp and BFSB (collectively with the Stockholder referred to as the "Respondents"); and the Office of Thrift Supervision ("OTS"), a bureau within the United States Department of the Treasury, having its principal executive offices located at 1700 G Street, N.W., Washington, D.C., by and through the Regional Deputy Director for the Boston Area Office of the Northeast Region ("Regional Deputy Director").

WHEREAS, the OTS is the primary federal regulator of the Association; and

WHEREAS, the Stockholder owns approximately 13.6 percent of Bancorp's voting stock, including 45,454 shares of convertible voting preferred stock, and until July 31, 1993, owned stock in Classic Coach, Inc. ("Classic Coach"), a company owned by Messrs. Delamater, Jackson, and others; and

WHEREAS, Messrs. Delamater and Jackson each own stock in Bancorp and own stock in and are directors of Classic Coach; and

WHEREAS, Messrs. Delamater, Jackson and Kendall each own stock in Bancorp and are partners in a real estate development joint venture; and

WHEREAS, the Respondents collectively own approximately 17 percent of Bancorp's outstanding voting stock; and

WHEREAS, OTS is of the opinion that the Respondents are or have been "acting in concert" as defined at 12 C.F.R. § 574.2(c); and

WHEREAS, the Respondents collectively are the largest holder of Bancorp's voting stock; and

WHEREAS, the Respondents have not received approval from the OTS to acquire control of Bancorp or BFSB pursuant to the Change in Bank Control Act, 12 U.S.C. § 1817(j) ("CBCA") and/or the Savings and Loan Holding Company Act, 12 U.S.C. 1467a ("SLHCA") and regulations promulgated by the OTS thereunder, 12 C.F.R. Part 574; and

WHEREAS, the OTS is of the opinion that the Respondents have therefore engaged in acts and practices that have resulted in violations of the CBCA, the SLHCA, and 12 C.F.R. Part 574; and

WHEREAS, the OTS is of the opinion that grounds exist for the initiation of administrative proceedings against the Respondents, and

WHEREAS, the OTS is of the view that it is appropriate to take measures intended to ensure that the Respondents will comply with all applicable laws and regulations;

WHEREAS, the Respondents, without admitting any violations of laws or regulations, wish to cooperate with the OTS and to evidence their intent to comply with all applicable laws and regulations;

NOW THEREFORE, in consideration of the above premises, the mutual undertakings set forth herein, the parties hereto agree as follows:

1. The Respondents shall take all necessary and appropriate actions to achieve compliance with the CBCA, SLHCA, and OTS regulations promulgated thereunder.

2. For a period of one year from the Effective Date, the Respondents shall, on any matter, vote all voting stock (as defined at 12 C.F.R. § 574.2(u)) in Bancorp owned by them, or that may be acquired by them during said period, in proportion to the votes cast by all shareholders in Bancorp other than the Respondents.

3. This Agreement shall become effective upon its execution by the OTS, through its authorized representative whose signature appears below and remain in effect until terminated, modified or suspended in writing by the OTS, acting through the Regional Deputy Director (including any authorized designee thereof).

4. The Regional Deputy Director in his sole discretion, may, by written notice, suspend any or all provisions of this Agreement.

5. In case any provision in this Agreement is ruled to be invalid, illegal or unenforceable by the decision of any Court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby, unless the Regional Deputy Director in his/her sole discretion determines otherwise.

6. The Respondents represent and warrant that this Agreement has been duly authorized, executed, and delivered, and constitutes, in accordance with its terms, a valid and binding obligation of the Respondents. The Respondents acknowledge that this Agreement is a "written agreement" entered into with the OTS

within the meaning of Section 8 of the FDIA, 12 U.S.C. §1818.

IN WITNESS WHEREOF, the OTS, acting by and through the Regional Deputy Director and the Respondents hereby execute this Agreement as of the Effective Date.

OFFICE OF THRIFT SUPERVISION

RONALD J. GOGUEN

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151

151

~~Ralph W. Gray~~
Regional Deputy Director

151

JAMES D. DELAMATER

PHILIP C. JACKSON

151

151

RONALD C. KENDALL

151