Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name Camden National Corporation			2 Issuer's employer identification number (EIN) 01-0413282
3 Name of contact for additional information Investor Relations	4 Telephone No. of contact (207)236-8821		5 Email address of contact ir@camdennational.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 2 Elm Street P.O. Box 310			7 City, town, or post office, state, and Zip code of contact Camden, ME 04843
8 Date of action 10/16/2015	9 Classification and description Common Stock		
10 CUSIP number 133034108	11 Serial number(s)	12 Ticker symbol CAC	13 Account number(s)

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On October 16, 2015, Camden National Corporation ("Camden") completed its merger with SBM Financial, Inc. ("SBM"). Pursuant to the terms and conditions of the Merger Agreement, dated as of March 29, 2015, SBM was merged into Camden with Camden surviving the ("Merger"). In the Merger, each share of SBM common stock outstanding at the effective time of the acquisition was converted into the right to receive, at the election of the stockholder either: (1) $206.00 in cash or (2) 5.421 shares of common stock of Camden, or a combination of cash and Camden stock.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ If the stockholder elected to receive 100% shares and no cash, the aggregate tax basis of the Camden stock a former SBM stockholder received in the Merger is the same as the former SBM stockholder's basis in the SBM stock surrendered. If the former SBM stockholder exchanged all or part of their shares for cash, they would generally recognize some gain or loss for federal income tax purposes for the 2015 tax year.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See 14 and 15 above, no change in aggregate basis; however, per share basis adjusted based on the conversion rate of 5.421. The market value per share is $39.48, which was the closing price on October 16, 2015.

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ **For Federal income tax purposes, the Merger is treated as a reorganization qualifying under Section 368(a) of the Internal Revenue Code of 1986, as amended.**

18 Can any resulting loss be recognized? ▶ **If cash was elected, gain or loss was calculated and reported in 2015.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **The merger was effected on October 16, 2015; therefore, 2015 was the reportable year.**

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Date ▶ 9/2/16

Print your name ▶ **Deborah Jordan, CPA** Title ▶ **Chief Financial Officer & COO**

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054