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: 09/30/2016	9 Classification and description: 3-for-2 Common stock split effected in the form of a stock dividend

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
133034108		CAC	

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 August 30, 2016, the Board of Directors declared a three-for-two stock split, effected in the form of a stock dividend, on the Company's common stock. Each shareholder of record on September 15, 2016 received one additional share of common stock for every two shares of common stock owned. The stock was issued September 30, 2016.

The Company paid shareholders cash in-lieu of fractional shares of common stock in connection with the split, at a price of $31.75 per share, the closing price of the Company's common stock on September 14, 2016, except that participants in the Company's Dividend Reinvestment & Direct Stock Purchase and Sale Plan had fractional shares credited to their accounts.

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 ▶ The stock split was a non-taxable transaction under Internal Revenue Code (IRC) section 305(a) and accordingly a shareholder's basis is to be allocated under IRC section 307(a). Under IRC section 307(a), each shareholder will allocate the basis in a share owned prior to the stock split over that share and the additional shares received in the split. This means that the shareholder will multiply the basis in each share held before the split by 66.67% to determine the basis of the share post-split. The total basis does not change, it becomes the total basis for the increased number of shares which results in a 1/3rd reduction on a per share basis. See the example in #16 below.

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 ▶ A shareholder will multiply the basis in each share held before the split by 66.67% to determine the per share basis after the split. See response to #15 above and example below:

Example:
Before the stock split: A shareholder holds 200 shares of Camden National Corporation common stock with a basis of $30 per share and $6,000 in total basis.

After the stock split: A shareholder holds 300 shares of Camden National Corporation common stock with a basis of $20 per share and $6,000 in total basis.

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

IRC Section 305(a) and IRC Section 307(a).

18 Can any resulting loss be recognized? ▶ Generally, no loss will be recognized. However, shareholders who received cash in-lieu of fractional shares will recognize gain or loss to the extent of the difference between the amount of cash received and the shareholder's adjusted basis in the fractional share. A 1099-B will be issued.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

The reportable tax year is 2016.

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 ▶ 11/14/16

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