

SANDY SPRING BANCORP INC

Form S-4/A

March 28, 2007

As filed with the Securities and Exchange Commission on March 28, 2007

Registration No. 333-141163

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Amendment No. 1
to
Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Sandy Spring Bancorp, Inc.

(Exact name of registrant as specified in its charter)

Maryland

*(State or other jurisdiction of
incorporation or organization)*

6021

*(Primary Standard Industrial
Classification Code Number)*

52-1532952

*(I.R.S. Employer
Identification No.)*

**17801 Georgia Avenue
Olney, Maryland 20832
(301) 774-6400**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Ronald E. Kuykendall
Executive Vice President, General Counsel & Secretary
Sandy Spring Bancorp, Inc.
17801 Georgia Avenue
Olney, Maryland 20832
(301) 774-6400**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

with copies to:

**Kenneth R. Morrow, Esq.
Dickstein Shapiro LLP
1825 Eye Street N.W.
Washington, D.C. 20006
(202) 420-2200**

**Noel M. Gruber, Esq.
Kennedy & Baris, L.L.P.
4701 Sangamore Road, Suite P-15
Bethesda, Maryland 20816
(301) 229-3400**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

PROXY STATEMENT/PROSPECTUS

**CN BANCORP, INC.
7401 Ritchie Highway
Glen Burnie, Maryland 21060**

March 28, 2007

Dear Stockholder:

On December 13, 2006, CN Bancorp, Inc. entered into an agreement and plan of merger with Sandy Spring Bancorp, Inc., pursuant to which CNB will merge with and into Bancorp. You are invited to attend a special meeting of stockholders of CNB to be held on May 21, 2007 at 11 a.m., local time, at Michael's Eighth Avenue, 8th Avenue and Greyburn Drive, 7220 Greyburn Drive, Glen Burnie, Maryland. At this special meeting, you will be asked to approve the merger agreement so that the merger can occur.

In the merger, each outstanding share of CNB common stock (other than shares as to which stockholders have properly exercised dissenters' rights) will be converted into the right to receive either \$25.00 in cash, without interest, or 0.6657 of a share of Bancorp common stock. Proration procedures set forth in the merger agreement and described in this proxy statement/prospectus provide that at least 50% but no more than 60% of the outstanding shares of CNB common stock will be converted into Bancorp common stock and at least 40% but not more than 50% of the outstanding shares of CNB common stock will be converted into cash. Although you may elect to receive cash in exchange for your shares of CNB common stock, because of the fixed allocation of the merger consideration between cash and Bancorp common stock, there is no assurance that you will receive cash that you elect with respect to all shares of CNB common stock that you hold. As of March 23, 2007, the most recent practicable trading day prior to the date of this proxy statement/prospectus, the closing sale price for one share of Sandy Spring Bancorp, Inc. common stock was \$35.74. The market price of Sandy Spring Bancorp, Inc. common stock will fluctuate prior to the merger. We urge you to obtain current market information for the Sandy Spring Bancorp, Inc. common stock.

Your board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby are in the best interests of CNB and its stockholders, has approved and adopted the merger agreement and the transactions contemplated thereby, including the merger, and unanimously recommends that you vote FOR the proposal to approve the merger agreement and the merger as described in this proxy statement/prospectus and FOR a proposal to adjourn the special meeting if necessary to permit further solicitation of proxies if there are not sufficient votes at the special meeting to approve the merger agreement and the merger. The proposed merger requires the receipt of bank regulatory approvals and the approval of the merger agreement by holders of at least 80% of the outstanding shares of CNB common stock. Please carefully review this document, which explains the proposed merger in detail. **In particular, you should carefully consider the discussion in the section entitled Risk Factors on page 19 of this proxy statement/prospectus.**

Stockholders owning or controlling shares of CNB common stock representing approximately 35.5% of the outstanding shares of CNB common stock as of the date of the merger agreement have entered into a voting agreement with Bancorp in which they have agreed to vote all of such shares in favor of the proposal to approve the merger agreement and the merger.

Bancorp common stock is listed on the NASDAQ Global Select Market under the symbol SASR and CNB common stock is quoted on the OTC Bulletin Board under the symbol CNBE.

It is important that your shares are represented at the meeting, whether or not you plan to attend the meeting. Abstentions and failures to vote will have the same effect as votes against the proposal to approve the merger agreement and the merger.

Accordingly, please complete, date, sign and return promptly your proxy card in the enclosed postage pre-paid envelope. You may attend the meeting and vote your shares in person if you wish, even though you have previously returned your proxy.

Sincerely,

Jan W. Clark
President and CEO

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the securities to be issued under this proxy statement/prospectus, or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares of Sandy Spring Bancorp, Inc. common stock are not savings or deposit accounts or other obligations of any bank or savings association and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

This document is dated March 28, 2007 and is first being mailed to CNB stockholders on or about April 4, 2007.

REFERENCES TO ADDITIONAL INFORMATION

This document incorporates important business and financial information about Sandy Spring Bancorp, Inc. from documents that are not included in or delivered with this document. This information includes documents of Sandy Spring Bancorp, Inc. incorporated by reference in this proxy statement/prospectus, including exhibits to such documents that are specifically incorporated by reference in this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain copies of these documents by accessing the Securities and Exchange Commission's Internet web site maintained at www.sec.gov or by requesting them from Sandy Spring Bancorp, Inc. at the following address:

Sandy Spring Bancorp, Inc.
17801 Georgia Avenue
Olney, Maryland 20832
Attention: Ronald E. Kuykendall, Executive Vice President, General Counsel and Secretary
(301) 774-6400

If you would like to request documents, please do so by May 11, 2007, in order to receive them before the special meeting of CNB stockholders.

See "Where You Can Find More Information" beginning on page 71 for further information.

**CN BANCORP, INC.
7401 RITCHIE HIGHWAY
GLEN BURNIE, MARYLAND 21060**

March 28, 2007

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 21, 2007**

To the Stockholders of CN Bancorp, Inc.:

We will hold a special meeting of stockholders of CN Bancorp, Inc. on May 21, 2007, at 11 a.m., local time, at Michael's 8th Avenue, 8th and Greyburn Drive, 7220 Greyburn Drive, Glen Burnie, Maryland, for the following purposes:

1. To consider and vote upon a proposal to approve an agreement and plan of merger, dated as of December 13, 2006, between CN Bancorp, Inc. (CNB) and Sandy Spring Bancorp, Inc. (Bancorp) and the merger contemplated thereby, pursuant to which CNB will merge with and into Bancorp upon the terms and subject to the conditions set forth in the agreement and plan of merger. This proposal is more fully described in the accompanying proxy statement/prospectus. A copy of the agreement and plan of merger, as amended, is attached as Appendix A to the accompanying proxy statement/prospectus.
2. To consider and vote upon a proposal, if necessary, to adjourn the special meeting to a later date or dates to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve the agreement and plan of merger and the merger contemplated thereby.
3. To transact any other business as may properly come before the special meeting or any adjournment or postponements of the special meeting.

We have fixed the close of business on March 23, 2007 as the record date for determining those CNB stockholders entitled to vote at the special meeting and any adjournments or postponements of the special meeting. **Accordingly, only CNB stockholders of record on that date are entitled to notice of, and to vote at, the special meeting of CNB stockholders and any adjournments or postponements of the special meeting.**

By order of the Board of Directors,

Shirley Palmer
Secretary

Glen Burnie, Maryland
March 28, 2007

The board of directors of CNB unanimously recommends that you vote FOR approval of the agreement and plan of merger and the merger contemplated thereby and FOR the proposal, if necessary, to adjourn the special meeting to permit the further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve the agreement and plan of merger and the merger contemplated thereby.

The enclosed proxy is solicited by and on behalf of the CNB board of directors. Whether you plan to attend the meeting or not, please sign and return the enclosed proxy so that CNB may be assured of the presence of a quorum at the meeting. A self-addressed envelope is enclosed for your convenience. No postage is required if mailed in the United States.

CNB stockholders have the right to exercise dissenters' rights with respect to the merger and demand in writing that the surviving corporation in the merger pay the fair value of their shares of CNB common stock under applicable provisions of Maryland law. In order to exercise and perfect dissenters' rights, CNB stockholders must give written notice of their intent to demand payment for their shares to CNB before voting on the merger at the special meeting and must not vote in favor of or consent to the merger. A copy of the applicable Maryland statutory provisions is included in the accompanying proxy statement/prospectus as Appendix C, and a description of the procedures to demand and perfect dissenters' rights is included in the section entitled The Merger Dissenters' Rights beginning on page 41.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

The Merger and the Special Meeting of CNB Stockholders

Q: What matters will be considered at the special meeting of stockholders?

A: At the special meeting, CNB's stockholders will be asked to vote on (1) the agreement and plan of merger, as amended, by and between Sandy Spring Bancorp, Inc. (Bancorp) and CN Bancorp, Inc. (CNB), under which CNB will merge with and into Bancorp, with Bancorp surviving the merger, and (2) a proposal, if necessary, to adjourn the special meeting to a later date or dates to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve the agreement and plan of merger and the merger contemplated thereby. The agreement and plan of merger and the merger contemplated thereby are referred to in this proxy statement/prospectus as the merger agreement and merger, respectively. The merger agreement, as amended, is attached to this proxy statement/prospectus as Appendix A.

Q: What stockholder vote is necessary?

A: At the special meeting, the affirmative vote of holders of at least 80% of the shares of outstanding CNB common stock is required to approve the merger agreement and the merger and the affirmative vote of a majority of the shares present or represented at the special meeting is required to approve the proposal, if necessary, to adjourn the special meeting to permit further solicitation of proxies. CNB stockholders owning or controlling approximately 35.5% of the outstanding shares of CNB common stock as of the record date for the special meeting have entered into a voting agreement with Bancorp whereby they have agreed to vote their shares for approval of the merger agreement and the merger.

Q: Does CNB's board of directors recommend that CNB stockholders approve the merger agreement and the merger and the proposal to approve, if necessary, an adjournment of the special meeting to permit further solicitation of proxies?

A: Yes. CNB's board of directors unanimously recommends that its stockholders vote FOR approval of the merger agreement and the merger and FOR the proposal to approve, if necessary, an adjournment of the special meeting to permit further solicitation of proxies in the event there are not sufficient votes at the time of the special meeting to approve the merger agreement and the merger.

Q: What do I need to do now?

A: After you have carefully read this proxy statement/prospectus, indicate on your proxy card how you want to vote with respect to the proposal to approve the merger agreement and the merger and the proposal, if necessary, to adjourn the special meeting to a later date to permit the further solicitation of proxies in the event there are not sufficient votes at the special meeting to approve the merger agreement and the merger. Complete, sign, date and mail the proxy card in the enclosed postage-paid return envelope as soon as possible so that your shares will be represented and voted at the special meeting. The proxy card should be mailed in accordance with the instructions provided thereon. If you want to make an election to receive cash merger consideration, complete, sign, date and mail the election form and letter of transmittal, which will be provided separately, to the exchange agent at the address listed on page 3, together with the stock certificates representing the shares of CNB common stock with respect to which you wish to make a cash election, in accordance with the instructions described in this proxy statement/prospectus. In a separate mailing you will receive an Election Form/Letter of Transmittal to use in making an election to receive cash merger consideration. **Do not send your election form, letter of transmittal or stock certificates with your proxy card to CNB or Bancorp. The proxy card should be mailed in accordance with the instructions set forth thereon.**

Q: How do I change my vote after I have mailed my signed proxy card?

A: You may change your vote at any time before your proxy is voted by revoking your proxy in any of the following three ways:

by delivering a written notice to the secretary of CNB stating that you would like to revoke your proxy;

by submitting another duly executed proxy with a later date; or

by attending the special meeting and voting in person at the special meeting (your attendance at the special meeting will not by itself revoke your proxy). If you hold your shares in street name, you will need additional documentation from your bank or broker in order to vote in person at the special meeting.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: If you do not provide your broker with instructions on how to vote your shares held in street name, your broker will not be permitted to vote your shares on the proposal to approve the merger agreement and the merger without your instructions. You should therefore instruct your broker how to vote your shares. Your failure to instruct your broker to vote your shares will be the equivalent of voting against the approval of the merger agreement and the merger.

Q: What if I abstain from voting?

A: If you abstain from voting it will have the same effect as a vote against the merger agreement and the merger but will have no effect on the proposal, if necessary, to adjourn the special meeting to permit further solicitation of proxies.

Q: Am I entitled to dissenters' rights?

A: Yes. Under Maryland law, you may exercise dissenters' rights in connection with the merger. The provisions of Maryland law governing dissenters' rights are complex, and you should study them carefully if you wish to exercise dissenters' rights. A CNB stockholder may take actions that prevent that stockholder from successfully asserting these rights, and multiple steps must be taken to properly exercise and perfect such rights. A copy of Sections 3-201 through 3-213 of the Maryland General Corporation Law (the MGCL) is attached to this proxy statement/prospectus as Appendix C.

For a more complete description of dissenters' rights, please refer to the section of this proxy statement/prospectus entitled The Merger Dissenters' Rights beginning on page 41.

Q: When do you expect to complete the merger?

A: We presently expect to complete the merger in the second quarter of 2007. However, we cannot assure you when or if the merger will occur. Stockholders of CNB holding at least 80% of the outstanding shares of CNB common stock must first approve the merger agreement and the merger at the special meeting and we must obtain the necessary regulatory consents and approvals.

Q: Is consummation of the merger subject to any conditions?

A: Yes. In addition to the approval of the stockholders of CNB, consummation of the merger requires the receipt of the necessary regulatory consents and approvals, and the satisfaction of other conditions specified in the merger

agreement. See The Merger Regulatory Approvals Required for the Merger and The Merger Agreement Conditions to the Completion of the Merger beginning on pages 38 and 50 of this proxy statement/prospectus, respectively.

Merger Consideration

Q: What will I receive in the merger?

A: As a result of the merger, each share of CNB common stock (other than shares with respect to which dissenters rights have been properly exercised and perfected) will be converted into the right to receive either \$25.00 in cash, without interest, or 0.6657 of a share of Bancorp common stock, in each case subject to the proration procedures described in this proxy statement/prospectus.

Q: What are the tax consequences of the merger to me?

A: We expect that for United States federal income tax purposes, in general, CNB stockholders who receive cash in whole or in part in exchange for their CNB common stock will recognize gain equal to the lesser of the realized gain or the cash received, in certain cases CNB stockholders who receive cash may recognize any losses realized, and the merger will not be a taxable event to those CNB stockholders who receive solely Bancorp common stock in exchange for their CNB common stock. If, however, a CNB stockholder who receives cash in the merger actually or constructively owns shares of Bancorp common stock after the merger, such stockholder might be subject to dividend treatment in certain circumstances. See *Material United States Federal Income Tax Consequences* on page 38.

Bancorp and CNB will have no obligation to complete the merger until they have received an opinion to the effect that the merger will be a reorganization within the meaning of Section 368(a) of the Internal Revenue Code and that the merger will have certain United States federal income tax results. However, this opinion will not bind the Internal Revenue Service, which could take a different view of the transaction.

We urge you to consult your personal tax advisor to gain a full understanding of the tax consequences of the merger to you. Tax matters are very complicated, and in many cases, the tax consequences of the merger will depend on your particular facts and circumstances.

Q: How do I elect to receive cash merger consideration in the merger?

A: In a separate mailing, record holders of CNB common stock are being provided with an election form and letter of transmittal. The election form and letter of transmittal allow each CNB stockholder to specify the number of shares with respect to which such CNB stockholder elects to receive cash. No election is necessary if you prefer to receive Bancorp common stock. The election procedures and deadline for making elections are described in the materials accompanying the election form and letter of transmittal and also beginning on page 45 of this proxy statement/prospectus. All elections and non-elections are subject to the allocation and proration procedures described in this proxy statement/prospectus beginning on page 45. To make a valid election, record holders of shares of CNB common stock must properly complete, sign and send the election form and letter of transmittal, together with the stock certificates with respect to which an election is being made, to the exchange agent at the following address:

By Mail:

American Stock Transfer & Trust Company
Operations Center
Attn: Reorganization Department
P.O. Box 2042
New York, NY 10272-2042

By Hand or Courier:

American Stock Transfer & Trust Company
Operations Center
Attn: Reorganization Department
6201 15th Ave
Brooklyn, NY 11219

Do not send your election form, letter of transmittal or stock certificates with your proxy card to Bancorp or to CNB. If you make an election to receive cash merger consideration, the election form, letter of transmittal and your stock certificates should be sent to the exchange agent at the address listed above. The proxy card should be mailed in accordance with the instructions set forth thereon.

If you own shares of CNB common stock in street name through a broker or other financial institution and you wish to make an election, you will receive or should seek instructions from the institution holding your shares concerning how to make your election. Street name holders may be subject to an earlier election deadline than stated below. Therefore, if you are a street name holder, you should carefully read any materials

you receive from your broker. If you instruct a broker to submit an election for your shares, you must follow your broker's directions for changing those instructions.

Election forms must be received by 5:00 p.m., Eastern Time on May 21, 2007 (the election deadline) for the election to be valid. If you do not make a valid election by the election deadline, you will receive Bancorp common stock in exchange for your shares of CNB common stock, subject to the allocation and proration procedures described in this proxy statement/prospectus, which will depend upon the elections of the other CNB stockholders. Questions related to elections to receive merger consideration and the election form should be directed to Shirley Palmer, CNB's Secretary, at (410) 760-7000.

Do not return your election form or your stock certificates with your proxy card. Doing so will not constitute a valid election, and may delay your receipt of the merger consideration.

Q: Will I always receive the form of merger consideration I desire to receive?

A: No. Bancorp will pay cash for at least 40% but not more than 50% of the outstanding shares of CNB common stock and issue shares of Bancorp common stock for at least 50% but not more than 60% of the outstanding shares of CNB common stock. If the number of CNB shares for which an election to receive cash is made is higher than 50% of the outstanding shares of CNB common stock, a pro rata portion of those shares will be converted into the right to receive Bancorp common stock in order to result in a 50% cash and 50% stock allocation. If the number of CNB shares for which an election to receive cash is made is lower than 40% of the outstanding shares of CNB common stock, a pro rata portion of the shares for which no election is made will be converted into the right to receive cash in order to result in a 40% cash and 60% stock allocation. Accordingly, there is no assurance that you will receive the form of merger consideration that you desire to receive with respect to all of the shares of CNB common stock you hold. The allocation and proration procedures are described beginning on page 45 of this proxy statement/prospectus.

Q: What do I do if I want to revoke my election after I have mailed my signed election form?

A: If you are the record holder of your shares, you may revoke your election by sending a signed written notice to the exchange agent identifying the shares of CNB common stock for which you are revoking your election. For a notice of revocation to be effective, it must be received by the exchange agent prior to the election deadline. The election procedure, including revocation of an election, is described beginning on page 45 of this proxy statement/prospectus. If you hold your shares in street name, you must follow your broker's instructions for revoking an election.

Q: When should I send in my stock certificates?

A: If you make an election to receive cash, you must send the stock certificates representing the shares of CNB common stock with respect to which you have made an election with your completed election form and letter of transmittal to the exchange agent at the address set forth on page 3 so that they are received by the exchange agent no later than the election deadline. If you hold your shares in street name, you should comply with the election deadline set by your broker, which may be earlier. If you do not make an election to receive cash, you will receive a letter of transmittal from the exchange agent after the completion of the merger with instructions for sending in your stock certificates.

Q: Is there other information about Bancorp I should consider that is not included in this proxy statement/prospectus?

A: Yes. Much of the business and financial information about Bancorp that may be important to you is not included in this proxy statement/prospectus. Instead, that information is incorporated by reference to documents separately filed by Bancorp with the Securities and Exchange Commission (the SEC). This means that Bancorp may satisfy its

disclosure obligations to you by referring you to one or more documents separately filed by it with the SEC. See **Where You Can Find More Information** beginning on page 71 for a list of documents that Bancorp has incorporated by reference into this proxy statement/prospectus and for instructions on how to obtain copies of those documents. The documents are available to you without charge.

Q: What if there is a conflict between documents of Bancorp?

A: You should rely on the LATER FILED DOCUMENT. Information in this proxy statement/prospectus may update information contained in one or more of the Bancorp documents incorporated by reference. Similarly, information in documents that Bancorp may file after the date of this proxy statement/prospectus may update information contained in this proxy statement/prospectus or information in previously filed documents.

Q: Who can I call with questions or to obtain copies of this proxy statement/prospectus?

A: You may contact Shirley Palmer of CN Bancorp, Inc. at (410) 760-7000.

Q: What will happen to my CNB stock options?

A: Each option to acquire CNB stock under CNB's stock option plan that is outstanding at the effective time of the merger will be converted into an option to purchase a number of shares of Bancorp common stock equal to 0.6657 times the number of shares of CNB stock underlying such CNB option and the exercise price of the CNB option will be ratably adjusted in accordance with such conversion. However, Bancorp, in its sole and complete discretion, may require CNB or County National to offer to cancel any CNB option immediately prior to the effective time of the merger in exchange for a cash payment in an amount equal to \$25.00 minus the per share exercise price for each share of CNB stock underlying such CNB option, subject to any required withholding of taxes. Bancorp intends to require that such an offer be made to all option holders.

SUMMARY

This summary highlights selected information from this proxy statement/prospectus. It does not contain all of the information that is important to you. We urge you to read the entire proxy statement/prospectus carefully and the other documents to which we refer to understand fully the transactions contemplated by the merger agreement. See Where You Can Find More Information on page 71.

Information about Bancorp, SSB, CNB and County National (See Page 26).

Sandy Spring Bancorp, Inc.
Sandy Spring Bank
17801 Georgia Avenue
Olney, Maryland 20832
(301) 774-6400

Sandy Spring Bancorp, Inc. (Bancorp)

Bancorp is the holding company for Sandy Spring Bank and Sandy Spring Bank's principal subsidiaries, Sandy Spring Insurance Corporation, The Equipment Leasing Company and West Financial Services, Inc. Bancorp is the third largest publicly traded banking company headquartered in Maryland. As of December 31, 2006, Bancorp had total assets of approximately \$2.60 billion, total net loans of approximately \$1.80 billion, total deposits of approximately \$1.99 billion and approximately \$237.8 million in stockholders' equity. Through its subsidiaries, Bancorp also offers a comprehensive menu of leasing, insurance and investment management services. Bancorp's common stock is listed on the NASDAQ Global Select Market under the symbol SASR. The deposits associated with Bancorp's affiliated banks are insured by the Federal Deposit Insurance Corporation.

Sandy Spring Bank (SSB)

SSB is a community banking organization that focuses its lending and other services on businesses and consumers in the Baltimore-Washington region. SSB was founded in 1868 and offers a broad range of commercial banking, retail banking and trust services through 33 community offices and 77 ATMs located throughout Maryland. SSB is affiliated with the Allpoint ATM Network, which offers free nationwide access at 34,000 ATM locations.

On February 15, 2007, Bancorp completed its acquisition of Potomac Bank of Virginia (Potomac). The transaction was structured as a merger of Potomac with and into SSB, with SSB as the surviving bank in the merger. The shareholders of Potomac received an aggregate of 887,146 shares of Bancorp common stock and an aggregate of \$31,410,436.50 in cash as a result of the merger of Potomac into SSB.

The acquisition of Potomac added to SSB approximately \$247 million in total assets, approximately \$193 million in gross loans, approximately \$192 million in total deposits, and five full service branches located in the Virginia communities of Fairfax, Lansdowne, Vienna and Chantilly.

CN Bancorp, Inc.
County National Bank
7401 Ritchie Highway
Glen Burnie, MD 21060
(410) 760-7000

CN Bancorp, Inc. (CNB) and County National Bank (County National)

CNB was organized in 1996 under the laws of the State of Maryland to serve as the holding company for County National. County National, a national banking association organized under the laws of the United States, commenced operations in December 1996. County National is engaged in a general commercial and consumer banking business, serving individuals and businesses from its main office in Glen Burnie, Maryland, and its branch offices located in Pasadena, Odenton and Millersville, Maryland. As of December 31, 2006,

CNB had assets of approximately \$160.8 million, total loans of approximately \$100 million, total deposits of approximately \$138.7 million, and total stockholders' equity of approximately \$20.7 million. CNB's common stock is quoted on the OTC Bulletin Board under the symbol CNBE.

Detailed information about the business and results of operations of CNB and County National is included in CNB's Annual Report on Form 10-KSB for the year ended December 31, 2006, which is attached to this proxy statement/prospectus as Appendix D.

The Merger and the Bank Merger (See Page 27).

Bancorp and CNB have entered into an agreement and plan of merger that provides for the merger of CNB with and into Bancorp, with Bancorp surviving the merger. In connection with the merger agreement, SSB, a wholly-owned subsidiary of Bancorp, and County National, a wholly-owned subsidiary of CNB, entered into a related agreement and plan of merger, under which County National will merge with and into SSB, with SSB surviving the merger. In this proxy statement/prospectus, we refer to the agreement and plan of merger between Bancorp and CNB as the merger agreement and the related agreement and plan of merger between SSB and County National as the bank merger agreement and the mergers contemplated thereby as the merger and the bank merger, respectively. The bank merger will be consummated approximately one hour following the effective time of the merger. The merger agreement, as amended, is attached as Appendix A to this proxy statement/prospectus. You should read the merger agreement in its entirety because it is the legal document that governs the merger.

Special Meeting of CNB Stockholders (See Page 22).

The special meeting of CNB stockholders will be held at 11 a.m., eastern time, on May 21, 2007, at Michael's Eighth Avenue, 8th Avenue and Greyburn Drive, 7220 Greyburn Drive, Glen Burnie, Maryland. At the special meeting, CNB stockholders will be asked to vote to approve the merger agreement and the merger, and a proposal, if necessary, to adjourn the special meeting to a later date or dates to permit the further solicitation of proxies in the event there are not sufficient votes at the special meeting to approve the merger agreement and the merger. You can vote at the special meeting if you were a record holder of CNB common stock at the close of business on March 23, 2007, the record date for the special meeting. As of that date, there were 1,728,011 shares of CNB common stock outstanding and entitled to be voted at the special meeting. Approval of the merger agreement and the merger requires the affirmative vote of holders at least 80% of the outstanding shares of CNB common stock outstanding at the record date. Approval of the proposal, if necessary, to adjourn the special meeting to permit the further solicitation of proxies requires a majority vote of the stockholders present or represented at the special meeting. Stockholders of CNB owning or controlling approximately 35.5% of the outstanding shares of CNB common stock as of the record date have agreed to vote their shares to approve the merger agreement and the merger.

What CNB Stockholders Will Receive in the Merger (See Page 44).

The merger agreement provides that at the effective time of the merger each outstanding share of CNB common stock (other than shares with respect to which dissenters' rights have properly been exercised and perfected) will be converted into the right to receive either \$25.00 in cash, without interest, or 0.6657 of a share of Bancorp common stock, subject to the allocation and proration procedures described in this proxy statement/prospectus. Bancorp will not issue any fractional shares of Bancorp common stock in the merger. Under the merger agreement, holders of CNB common stock entitled to receive fractional shares will be entitled to receive an amount in cash, without interest, determined by multiplying the closing sale price of a share of Bancorp common stock on the NASDAQ Global Select Market (on the trading day immediately preceding the effective time of the merger) by the fraction of a share of Bancorp common stock to which such holder of CNB common stock would otherwise have been entitled. In this proxy statement/prospectus, we refer to the cash and shares of Bancorp common stock to be received in the merger by

CNB stockholders as the merger consideration.

On March 23, 2007, the most recent practicable trading date prior to the date of this proxy statement/prospectus, the closing price of Bancorp common stock was \$35.74 per share.

No assurance can be given that the current market price of Bancorp common stock will be equivalent to the market price of Bancorp common stock on the date that stock is received by a CNB stockholder or at any other time. The market price of Bancorp common stock when received by a CNB stockholder may be greater or less than the current market price of Bancorp common stock.

You May Elect to Receive Cash Merger Consideration (See Page 44).

You may elect to receive cash in exchange for any or all of your shares of CNB common stock by completing the election form and letter of transmittal provided in a separate mailing and submitting your stock certificates as provided herein and in the separate election form/letter of transmittal. If you do not make a valid election to receive cash, the merger consideration you receive will be shares of Bancorp common stock, subject to the allocation and proration procedures described in this proxy statement/prospectus, which will depend on the elections made by the other CNB stockholders.

Bancorp will pay cash for at least 40% but no more than 50% of the CNB common stock outstanding at the effective time of the merger, and issue shares of Bancorp common stock for at least 50% but no more than 60% of the CNB common stock outstanding at the effective