

URGENT! PLEASE READ THE ENCLOSED MATERIAL IMMEDIATELY.

**ROBERT H. GAUGHEN, ESQ.
HINGHAM INSTITUTION—SHAREHOLDER
528 BROAD STREET
WEYMOUTH, MA.**

By this time, you may have received proxy materials from the Management of Hingham Institution for Savings regarding the Annual Meeting of the Stockholders scheduled for April 29, 1993.

**I URGE YOU NOT TO SIGN THE WHITE PROXY CARD RECEIVED FROM MANAGEMENT,
BECAUSE I HAVE PROPOSED AN ALTERNATIVE SLATE OF DIRECTORS.**

My nominees have, among them, substantial business and banking experience. They are committed to promoting shareholder interest and instituting measures aimed at increasing the Bank's return on equity and the value of our stock.

The slate of directors proposed by Management includes three individuals who were placed on the Board during the period of time that the previous President and CEO (currently under criminal investigation) was managing the Bank. They sat on the Board of Directors, and one of them acted as Chairman of the Board, during the period of time that the Bank lost approximately 40% of its stockholders' equity. In the three-year period from 1989 through 1991, these losses totaled over \$8 million. During the past year, the FDIC has required the Bank to enter into a regulatory agreement in order to "restore stability and soundness" to the Bank.

The majority of the members of the Board, who took their positions prior to the removal of the previous president, have acted with poor business judgment in managing the Bank's assets. I have more than thirty (30) years experience in the banking industry. I have served as President and Chairman of a successful publicly traded savings bank. I have been a board member at Hingham for nearly one year and have had an opportunity to evaluate the performance of the incumbent board members.

The Chairman and Directors who passively sat by while the bank lost 40% of its net worth in the three-year period from 1989 through 1991 cannot be expected to transform themselves into the vigorous and perceptive leaders needed to provide direction to your company.

According to published reports, present management wants to sell the Bank for approximately \$10.50 per share. I do not believe that a sale of the Bank at such a bargain price level is in the best interest of the shareholders. I believe that present management supports such a sale because it would enable them to receive large lump sum payments under the terms of their "golden parachute" employment contracts. I am committed to opposing any sale of the Bank at such a "fire sale" price.

As a holder of 8.5% of the Bank's stock and a director, I have concluded that a number of Management's nominees are not capable of representing our best interests. I urge you to review the enclosed Proxy Statement. I believe that when you have done so, you will support my nominees.

Sincerely,
ROBERT H. GAUGHEN

March 26, 1993

PLEASE sign and return the enclosed BLUE proxy today!

**ROBERT H. GAUGHEN, ESQ.
132 MT. VERNON ROAD WEST
WEYMOUTH, MASSACHUSETTS**

Dear Fellow Hingham Institution for Savings Shareholder:

I've had just about enough of Pyne's distortions and insinuations about my past performance and my law firm's billings.

EAST WEYMOUTH SAVINGS WAS A SUCCESS!

FACT #1 — All shares in East Weymouth came public in November of '85 at \$10.00 per share, split two for one and were approved by the shareholders to be sold to the One Bancorp for \$20.00 per share in April of '88.

This amounts to a whopping 300% return to East Weymouth's original investors in less than 3 years!

COMPARE HINGHAM'S TRACK RECORD FROM 1988 - 1991!

FACT #2 — The book value of Hingham Institution for Savings' stock was \$16.61 at the end of FY '88 and was down to a mere \$9.59 at the end of FY '91.

This amounts to a LOSS of OVER 42% of stockholders' equity during that three year period!

Pyne also tried to suggest that my management of EWSB had something to do with the One Bancorp's subsequent failure. That's kind of like selling a perfectly good car to some idiot who subsequently drives it into a brick wall and THEN tries to blame the accident on you. *I wonder just how dumb Pyne thinks Hingham's shareholders are!?*

And about my law firm's legal fees over the years.

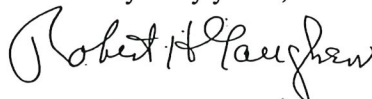
Sure my law firm has provided legal services to East Weymouth Savings Bank, Hingham Institution for Savings AND thousands of other clients over the years. The services were performed, the bills were reasonable, and they were paid; so what's the big deal.

You don't hear any former EWSB shareholders griping about my law firm's fees!

PRESENT MANAGEMENT SHOULD BE LESS CONCERNED WITH MONEY I HAVE MADE AND MORE CONCERNED WITH THE MONEY HINGHAM HAS LOST UNDER THEIR MISMANAGEMENT!

Bottom Line! *Pyne's principal business experience is as an undertaker. I don't intend to let him bury our bank. Elect my nominees and we will strive to increase the value of EVERYONE'S investment in HIFS.*

Very truly yours,



Robert H. Gaughen

Please SIGN, DATE & RETURN THE ENCLOSED BLUE PROXY CARD TODAY and disregard any white card you receive from management. For voting assistance, feel free to call my proxy solicitor, Regan & Associates, Inc. at (212) 587-3005 (collect if necessary.)

ROBERT H. GAUGHEN, ESQ.
132 Mt. Vernon Road West
Weymouth, Massachusetts

April 13, 1993

Dear Hingham Institution for Savings Shareholder:

We have had enough of the "Creighton" regime. This past week former President Creighton was indicted on 25 counts charging bank fraud, and receipt of kickbacks. **His subordinates and the directors he nominated remain in charge of the Bank. It's time to clean house. Look at the Facts:**

FACT: President Bulman admits receiving a gratuity as a "professional courtesy" from persons doing work for the Bank. Receiving kickbacks or gratuities for the referral of bank related work is a violation of state and federal law.

WASN'T ONE PRESIDENT RECEIVING KICKBACKS ENOUGH?

FACT: The Bank had **no net earnings** from interest income after deduction of operating expenses in 1992. Management only achieved a profit by selling the "family jewels," earning assets which will be sorely missed in the future, and by accounting charges.

FACT: Management lost 8 million dollars in stockholders' equity during 1988-1991.

FACT: Bulman admits he sold a bank owned house to his nephew at a price \$40,000 below the Bank's own appraisal.

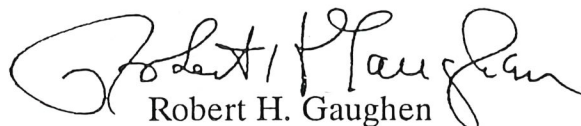
FACT: In December, 1992, President Bulman asked the directors to sell the Bank for less than its book value and said a small local savings bank like Hingham has no future.

Why is the Bank forcing Warren Noble, one of the most respected businessmen on the South Shore, off your Board? **Because he disagrees with the Creighton directors.** This election is about how you want your Bank run and who you want to run it.

I BELIEVE THE BANK SHOULD NOT BE RUN BY DIRECTORS WHO SAT BY WHILE 8 MILLION DOLLARS WAS LOST, AND WHO "SLEPT" WHILE INDICTED PRESIDENT CREIGHTON IS ALLEGED TO HAVE TAKEN OVER \$240,000 IN KICKBACKS.

Elect my nominees and we will work together to increase the value of everyone's investment in Hingham Institution for Savings.

Very truly yours,



Robert H. Gaughen

If you've already returned your Blue proxy card, **THANK YOU. If you haven't returned your Blue proxy card, DO SO TODAY!**

If you voted the white proxy and wish to change your vote, **SIGN THE BLUE PROXY CARD AND RETURN IT NOW!** For voting assistance, feel free to call my proxy solicitor, Regan & Associates, Inc. at (212) 587-3005 (collect, if necessary).

EX-PRESIDENT CREIGHTON, RECENTLY INDICTED ON 25 COUNTS OF BANK FRAUD, NOMINATED ALL CONTINUING MANAGEMENT DIRECTORS

THE BOSTON HERALD, THURSDAY, APRIL 8, 1993 45

Ex-bank chief charged with taking payoffs

By STEVEN SYRE

The former president of Hingham Institution for Savings, under a cloud of criminal suspicion for four years, was arrested yesterday for alleged payoffs in deals that cost the bank millions.

Wilfred H. Creighton, 59, of Hingham was the only person charged in a 25-count indictment, handed up on Tuesday and unsealed yesterday.

He allegedly took payoffs totaling \$240,000 for his hidden role in bank-funded real estate deals that cost Hingham Institution for Savings more than \$2.4 million.

Creighton was arrested by FBI agents at his home. He appeared later in the day before U.S. Magistrate Judge Robert B. Collings and was released on \$50,000 unsecured bond.

Creighton had been an employee of the bank for 30 years and served as its chief executive for 11 years when he was fired suddenly in February 1989.

His ouster was prompted by allegations from two developers that they paid Creighton kickbacks or "finder's fees" in return for loans or a piece of real estate deals funded by the bank.

Bank Chairman Gerald Pyne called them "unauthorized payments" at the time and notified state and federal authorities.

Creighton's activities and the bank's real estate problems since his departure are a critical element behind a proxy contest now under way to determine control of Hingham Institution for Savings.

Dissident shareholders, who hold a minority position on the board, argue that remaining directors were nominated by Creighton and for that reason, among others, should be dismissed.

Executives and directors who still control the company argue they were left to clean up the mess left behind by Creighton.

Creighton's lawyer, Tom May, said yesterday the former president operated under the bank's rules at the time and losses suffered after his departure were caused by the real estate market collapse.

"He expects after a trial to be vindicated," May said.

The federal indictment identifies nine different properties or developments on the South Shore that were purchased with loans from Hingham Institution for Savings.

In each case, Creighton allegedly acted as a silent partner to the borrower, taking half the profit or expected profit as his share. He never disclosed his interest in any of the deals to the bank's board of investment, prosecutors allege.

Creighton often took his cut in the form of a check made out to him personally or a bank to which he owed money, the indictment said.

The largest venture involved Indian Winds, a Scituate subdivision funded by the bank and developed by Joseph F. Crossen. Creighton allegedly received \$71,000 in his role as a silent partner in the development that later caused serious losses at the bank.

Do we want HIS CRONIES running OUR BANK???