

## MountainOne Financial Partners, MHC

### OFFICERS

John G. Merselis, Jr., M.D.	Chairman
Stephen G. Crowe, CPA	President & Chief Executive Officer
Donald E. Keagan	Executive Vice President & Chief Financial Officer

### BOARD OF DIRECTORS

Pamela B. Art	Robert W. Collins	Hulda Hardman Jowett
Daniel E. Bosley	Stephen G. Crowe, CPA	Richard C. Lamb
Howard E. Brookner	Nicholas N. Flynn	Stephen M. Long, Jr.
Diana D. Brooks	Maynard A. Hodgdon	John G. Merselis, Jr., M.D. – (Chairman)
Richard B. Bullett	Susan S. Hogan	Bradley C. Svrluga
Gailanne M. Cariddi	John C. Holden	

### CORPORATORS (in addition to Directors)

Mary Ann Abuisi	Thomas A. Gajda	Edward F. Nimmons
Billie Lynn Allard	Brice George	Maureen M. O'Mara
William Apkin	Benjamin Glick	Reinhold M. Ott
James B. Art	Eileen Gloster	Helen Ouellette
Sean F. Barbera	George R. (Al) Goethals	Richard T. Palmisano II
Anne M. Bartlett	Susan W. Gold	Michael S. Patten
Ellen T. Bayliss	Jeffrey P. Grandchamp	Felicia Pharr
Daniel I. Becker	Mary K. Grant	Henry J. Pierpan
Theresa M. Bellini	Stephen A. Green	Felix A. Puccio
Winfield S. Brown	Willard F. Greenwald III	Leslie Reed-Evans
Robert K. Buckwalter	Ronald Griffin	Colleen T. Reinhard
Andrew B. Budz	Dean M. Grimes	Denise C. Richardello
Daniel H. Campbell	Bruce D. Grinnell	Denise M. Richer
Patricia M. Campbell	Pauline G. Guntlow	Joseph Rogge
James Canavan, Jr.	Vincent Guntlow	Patrick Rondeau
David C. Casey	Michael Haddad, Jr.	Mireille S. Roy
Robert Q. Chilson	Matthew C. Harris	Jonathan B. Sabin
Donald B. Clark	Ruth G. Harrison	Roger E. St. Pierre
Eileen M. Clark	Catharine B. Hill	Robert J. Scerbo
Merritt L. Colaizzi	Christina L. Howard	Edward A. Scofield
Carol A. Colantuono	Deborah Jackson-Zereski	Andrea H. Shatken
John C. J. Cronin	Robert C. Jandl, M.D.	Gregory P. Shine
Dianne M. Cutillo	Thomas M. Jones	Anthony M. Smeglin, M.D.
Joseph R. Daigneault	Thomas P. Kaegi, M.D.	Edwin L. Smith
Alexander L. Daugherty	Richard Kielman	Robert A. Smith
Richard L. DeMayo	Arthur L. Lafave	Susan B. Spooner
Suzanne R. Dewey	Teresa H. Lamb	Suzanne J. Stinson
Vincent C. DiLegio	Albert J. LePak	Joseph C. Thompson
Timothy R. Dolan	James D. Little	Donald Trimarchi
Donald R. Dubendorf	Thomas Manuel	John N. Umlauf, CPA
Kathleen F. Dunn	Alan L. Marden	Robert C. Ware
Paul R. Dupuis	Thomas R. Maselli	David J. Westall
Ronald B. Durning, Jr., M.D.	Marcia McFarland-Gray	Donald J. Westall
Nicholas M. Edgerton	Maureen N. McGuire	James Whitney
John R. Elder	Amy C. Merselis	William R. Wilson, Jr.
Thomas G. Elder	William R. Miller	Christopher Wolf
William E. Elder	Rosemary K. Moore	Catherine M. Yamamoto
Marilyn S. Faulkner	K. Elaine Neely	Susan Yates, M.D.
J. Adam Filson	Arlon E. Nelson	Michael J. Zeppieri
David F. Fowle	Linda Neville	David J. Zimmerman

### HONORARY DIRECTORS

Irving Bashevkin	George A. Fairs	Norris A. Phelps
George H. Bateman	Jane F. Hanlon	Raymond P. Ranzoni
Leon K. Berry	Andrew R. Knowland	Lionel J. Richard
John G. Black	Mildred G. Manson	William S. Senecal
Edward B. Briggs	Raymond A. Mason	Richard A. Wildermuth
John P. English	Edward E. McFarland	

### HONORARY CORPORATORS

Beverly N. Canales	J. Hodge Markgraf	Peter Schryver
Susan M. Cancro	Ralph C. Mason	Ellen E. Urbano
Donato F. Dagnoli	Mary Jean Paradise	Esther F. Young
Mary Lou Galusha	C. Herbert Phillips	
Delories M. Garnish	Ralph R. Renzi	

## Hoosac Bank

### BOARD OF DIRECTORS

Pamela B. Art	Robert W. Collins	Hulda Hardman Jowett
Daniel E. Bosley	Stephen G. Crowe, CPA	Richard C. Lamb
Howard E. Brookner	Nicholas N. Flynn	Stephen M. Long, Jr. – (Chairman)
Diana D. Brooks	Maynard A. Hodgdon	John G. Merselis, Jr., M.D.
Richard B. Bullett	Susan S. Hogan	Bradley C. Svrluga
Gailanne M. Cariddi	John C. Holden	

## Williamstown Savings Bank

### BOARD OF DIRECTORS

Pamela B. Art	Gailanne M. Cariddi	John C. Holden
Daniel E. Bosley	Robert W. Collins	Hulda Hardman Jowett
Howard E. Brookner – (Chairman)	Stephen G. Crowe, CPA	Richard C. Lamb
Diana D. Brooks	Nicholas N. Flynn	Stephen M. Long, Jr.
Richard B. Bullett	Maynard A. Hodgdon	John G. Merselis, Jr., M.D.
	Susan S. Hogan	Bradley C. Svrluga

### Our Mission

*We are dedicated to providing our customers with outstanding products and exceptional service in a profitable manner, while supporting the growth of our employees and the communities we serve.*

Richard B. Bullett is Clerk of the Corporation for MountainOne Financial Partners, MHC and Hoosac Bank. Pamela B. Art is Clerk of the Corporation for Williamstown Savings Bank.

MountainOne Financial Partners, MHC is a mutual holding company. Hoosac Bank, a stock savings bank, and Williamstown Savings Bank, a stock savings bank, are wholly owned subsidiaries of MountainOne Financial Partners, MHC. Coakley, Pierpan, Dolan & Collins Insurance Agency, Inc. and True North Financial Services, Inc. are wholly owned subsidiaries of Hoosac Bank. True North Insurance Agency, Inc. is a wholly owned subsidiary of True North Financial Services, Inc. Hoosac Bank and Williamstown Savings Bank are Member FDIC, Member DIF, and Equal Housing Lender. True North Financial Services, Inc. is Member NASD and Member SIPC.

# MountainOne Financial Partners

## 2005 Annual Report

  
Hoosac Bank

TrueNorth

Coakley  
Pierpan  
Dolan &  
Collins

  
Williamstown  
SAVINGS BANK

93 Main Street • North Adams, MA 01247 • (413) 663-5353

To Our Community,

The U.S. economy continued to grow and, by most measures, 2005 was a very good year. Devastating hurricanes, high energy costs, large government deficits, and several interest rate hikes by the Federal Reserve Board did not slow down this growth. However, in Berkshire County, we experienced a much slower economy, although rising housing prices were evident, as they were across the country. Concern is now focused on the meaning of a flat yield curve and the possibility of a “housing bubble.” Since there does not appear to be consensus on these two issues, we are approaching 2006 with some caution.

However, we are not being cautious when it comes to our investment in, and commitment to, our community. Last year, our two banks alone contributed approximately 14% of net income to community organizations in Berkshire County and southern Vermont. This support covers a broad range of organizations, including libraries, hospitals, youth groups, cultural endeavors, and much, much more. We believe MountainOne is the most generous corporate citizen in the region, if not all of Massachusetts.

We are also not shy about investing in our employees. We have committed significant time, money and energy to improving our customer service skills. We believe that, with the best trained staff, we can provide what you value most – hometown service with a personal touch.

We have just completed four years of this experiment called MountainOne Financial Partners. Each year we are persuaded more and more that the affiliation of our four well-known and highly-respected companies was the right thing to do. With our unique combination of financial services, we are able to meet virtually all of your financial needs. We are working steadily to integrate our services further, in order to provide you with a “WOW” experience. Naturally, we welcome your input regarding how we might become even better.

Today’s world sees increasing mistrust of, and disrespect for, authority and institutions. Perhaps there are good reasons why our governments, churches and large corporations do not enjoy the trust they once had. But, as a society, it is essential that we embrace the qualities of trust, character, integrity, tolerance, and humility in order to face the considerable challenges ahead. Our desire is to not only provide you with outstanding products and exceptional service, but also to become your trusted financial partner for life.

On behalf of everyone at MountainOne, thank you for your business, your support and your trust – we appreciate the opportunity to serve you.



Stephen G. Crowe  
President & Chief Executive Officer

## Hoosac Bank

### OFFICERS

Stephen G. Crowe, CPA	President & Chief Executive Officer
Donald E. Keagan	Executive Vice President & Chief Financial Officer
John C. Law	Executive Vice President – Retail Banking & Marketing
Steven S. Iacuess	Senior Vice President – Commercial Lending
Debra M. Kushnet	Senior Vice President – Retail Lending
Kathleen J. Luczynski	Senior Vice President – Finance & Operations
Richard J. Alcombright	Vice President – Retail Banking
Cynthia J. Sault	Vice President – Retail Lending
Eva Sheridan	Vice President – Human Resources
Debra A. Wooley	Vice President – Controller
Liz Bissell	Assistant Vice President – Marketing
Donna M. Choquette	Assistant Vice President – Branch Administrator
Shannon L. Tatro	Assistant Vice President – Retail Lending Operations Officer
Anthony J. Worden	Assistant Vice President – Commercial Lending
Alfred L. Bedini	Branch Manager
Cynthia P. Noyes	Executive Administrative Officer
Carolina A. Pilot	Deposit Operations Officer
Jean L. Sherman	Compliance Officer

### STAFF

Kim E. Anderson	Kelly L. Dubie	Jennifer M. Meaney
Jessica J. Andrews	Sharon A. Engwer	Hannah K. Noel
Laurie A. Babcock	Sarah E. Gaffey	Erin L. Patten
Ryan M. Belanger	Richard J. Guyette, Sr.	Wolfgang W. Peters
Laura J. Belleau	Melissa A. Haden	Jeffrey P. Polucci
Alicia A. Benoit	Stephany A. Holmes	Amy L. Reese
Jody M. Berard	Marion J. Jammalo	Jennifer L. Richard
Heather J. Bona	Mary P. LeClair	Kristen L. Schmehl
Lisa A. Brandon	Susan E. LeClair	Timothy J. Shepard
Geraldine A. Brassard	Trista A. Leonesio	Jamie L. Sherman
Donna L. Brooks	Sarah Y. Lewis	Deborah A. Tatro
Lea M. Bruneau	Becky A. McAllister	Erin M. Tatro
Tyna L. Burda	David J. McKay	Janine A. Tatro
Cheryl F. Bush	Kathryn A. Meranti	Melissa A. Tremblay
Christine E. Ciskowski	Lisa J. Mineau	Ruth A. Zappula
Nancy A. Daigneault	Melissa S. Mongeon	
Denise D. Davis	Maria T. Moulton	

## Coakley, Pierpan, Dolan & Collins Insurance Agency, Inc.

### OFFICERS

Robert W. Collins	President & Chief Executive Officer
Timothy R. Dolan	Vice President & Clerk of the Corporation

### STAFF

Deborah M. Baker	Denise M. Lemieux	Jeannie M. Poplaski
Lisa C. Bernard	Monica A. Lora	William R. Robinson
Debra A. Bishop	Jann L. McDonough	Tracy J. Schmidt
Donna M. Bishop	Karen A. McGray	Leslie A. Stehle
Katherine E. Bishop	Angela D. Metiver	Sandra M. Steuer
Wendy A. Duprea	Edith B. Monroe	Blair E. Torelli
Grace J. Gray	Christine A. Moyer	Jeanne E. Wilk
Lisa A. Hannaleck	Rosanna M. Neal	Joan C. Wise
Kathleen G. Harrington	Kathleen M. O'Brien	
Phyllis P. Kellogg	Gary R. Ostrander	

## Williamstown Savings Bank

### OFFICERS

Stephen G. Crowe, CPA	President & Chief Executive Officer
Donald E. Keagan	Executive Vice President & Chief Financial Officer
John C. Law	Executive Vice President – Retail Banking & Marketing
Steven S. Iacuess	Senior Vice President – Commercial Lending
Debra M. Kushnet	Senior Vice President – Retail Lending
Kathleen J. Luczynski	Senior Vice President – Finance & Operations
Richard J. Alcombright	Vice President – Retail Banking
Maureen E. Baran	Vice President – Commercial Lending
Eva Sheridan	Vice President – Human Resources
Debra A. Wooley	Vice President – Controller
Liz Bissell	Assistant Vice President – Marketing
Donna M. Choquette	Assistant Vice President – Branch Administrator
Shannon L. Tatro	Assistant Vice President – Retail Lending Operations Officer
Tracy L. McConnell	Commercial Lending Operations Officer
Mary M. Morrow	Branch Manager
Cynthia P. Noyes	Executive Administrative Officer
Holly E. Ogden	Retail Lending Officer
Jean L. Sherman	Compliance Officer

### STAFF

Nancy E. Baran	Paula J. Malloy	Suzanne St. Hilaire Mason
Jean F. Bourn	Amanda M. Marceau	Susan D. Sullivan
Elizabeth L. Howcroft	Holly T. Mead	Linda A. Sumner
Patricia B. King	Melanie A. Neyland	Michele M. Tatro
Carolyn F. Larabee	Suzanne M. Patenaude	Rachel P. Vadnais
Stephanie M. LeClair	Frances M. Pierce	Myra L. Wilk
Paula M. LeMire	Jennifer A. Rumbolt	Andrea J. Wimpenney
Katie M. Little	Linda R. Stevenson	Ellen M. Wohrle

## True North Financial Services, Inc.

### OFFICERS

Richard C. Lamb	President & Chief Executive Officer
Wayne A. LoPresto	Vice President
Linda B. Shepard	Vice President
Stephanie Scott	Chief Compliance Officer
Robert W. Collins	Clerk of the Corporation

### STAFF

Robert G. Abel	Doris M. Karamatsos	Maria M. Wadsworth
Patrice M. DeSanty	Michael J. McCarthy	Edward M. Warren
James E. Durand	Henry J. Pierpan	Nancy E. Williams
Jami-Lynn Frank	Melissa A. Vreeland	

## True North Insurance Agency, Inc.

### OFFICERS

Richard C. Lamb	President & Chief Executive Officer
Holly A. Taylor	Vice President
Robert W. Collins	Clerk of the Corporation

### STAFF

Kathy A. Krutiak	Mark L. Selkowitz	Allison E. Vickstrom
Jacqueline A. Metsma	Kimberly A. Shepard	Diane J. Wojcik
Sue A. O'Neil	Jean M. Stone	

## MountainOne Financial Partners, MHC Consolidated Statements Of Earnings (Audited)

### YEARS ENDED DECEMBER 31

	2005	2004	2003
<b>INTEREST INCOME</b>			
Interest and fees on loans	\$15,374,853	\$13,748,179	\$13,889,058
Interest on investment securities	10,226,787	7,845,597	6,479,146
Interest on Fed Funds sold	<u>77,542</u>	<u>23,619</u>	<u>70,904</u>
Total interest income	<u>25,679,182</u>	<u>21,617,395</u>	<u>20,439,108</u>

### INTEREST EXPENSE

Interest on deposits	6,482,532	4,990,093	6,709,294
Interest on borrowed funds	6,771,377	4,197,063	3,595,353
Interest on notes payable	<u>109,540</u>	<u>153,300</u>	<u>163,791</u>
Total interest expense	<u>13,363,449</u>	<u>9,340,456</u>	<u>10,468,438</u>

Net interest income before provision for loan losses	12,315,733	12,276,939	9,970,670
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Provision for loan losses	<u>463,630</u>	<u>730,000</u>	<u>255,000</u>
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Net interest income after provision for loan losses	<u>11,852,103</u>	<u>11,546,939</u>	<u>9,715,670</u>
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### NON-INTEREST INCOME

Customer service charges on deposits	780,977	475,494	462,466
Other fees and income	8,068,227	7,301,136	7,512,329
Gains on investment securities transactions	<u>10,524</u>	<u>668,527</u>	<u>830,034</u>
Total non-interest income	<u>8,859,728</u>	<u>8,445,157</u>	<u>8,804,829</u>

### NON-INTEREST EXPENSE

Salaries and employee benefits	8,198,417	8,095,272	7,248,558
Occupancy expense	1,407,365	1,290,639	1,311,699
Furniture and equipment	605,669	641,855	745,101
Contributions	389,958	342,082	390,520
Other expense	<u>5,599,473</u>	<u>6,133,242</u>	<u>4,901,846</u>
Total non-interest expense	<u>16,200,882</u>	<u>16,503,090</u>	<u>14,597,724</u>

Net income before taxes	4,510,949	3,489,006	3,922,775
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Income taxes	<u>1,267,969</u>	<u>904,116</u>	<u>1,161,448</u>
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<b>NET INCOME</b>	<u>\$ 3,242,980</u>	<u>\$ 2,584,890</u>	<u>\$ 2,761,327</u>
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## MountainOne Financial Partners, MHC Consolidated Statements Of Condition (Audited)

### AS OF DECEMBER 31

	2005	2004	2003
<b>ASSETS</b>			
Cash and due from banks	\$ 10,254,093	\$ 11,496,478	\$ 13,101,836
Investment securities	297,213,917	236,634,470	201,332,333
Fed Funds sold	1,447,906	2,357,960	2,392,642

Loans:			
Residential real estate	170,556,311	171,740,086	160,376,187
Commercial real estate	62,407,791	61,502,084	45,099,185
Commercial	31,137,953	24,592,658	18,531,900
Installment	<u>2,768,727</u>	<u>2,733,383</u>	<u>3,272,450</u>
	266,870,782	260,568,211	227,279,722

Allowance for loan losses	(3,658,335)	(3,445,494)	(2,778,116)
Deferred loan costs, net	<u>391,693</u>	<u>165,817</u>	<u>74,665</u>
Net loans	263,604,140	257,288,534	224,576,271

Other real estate owned	-	-	-
Bank premises and equipment	12,332,463	12,854,652	13,577,516
Goodwill	1,843,691	1,843,691	1,783,691
Other assets	<u>23,800,127</u>	<u>21,280,312</u>	<u>19,103,106</u>

<b>TOTAL ASSETS</b>	<u>\$610,496,337</u>	<u>\$543,756,097</u>	<u>\$475,867,395</u>
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### LIABILITIES AND CAPITAL

Deposits:			
Non-interest-bearing	\$ 20,842,234	\$ 21,191,037	\$ 17,413,224
Interest-bearing	<u>307,142,920</u>	<u>296,763,696</u>	<u>301,117,179</u>
	<u>327,985,154</u>	<u>317,954,733</u>	<u>318,530,403</u>

Borrowed funds	204,562,189	157,254,914	94,370,415
Other liabilities	<u>20,706,745</u>	<u>12,612,573</u>	<u>8,237,770</u>
Total liabilities	<u>553,254,088</u>	<u>487,822,220</u>	<u>421,138,588</u>

Total capital	<u>57,242,249</u>	<u>55,933,877</u>	<u>54,728,807</u>
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<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<u>\$610,496,337</u>	<u>\$543,756,097</u>	<u>\$475,867,395</u>
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