

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 Art	Stephen G. Crowe, CPA	Richard C. Lamb
Theresa M. Bellini	Nicholas N. Flynn	Stephen M. Long, Jr.
Howard E. Brookner	George R. (Al) Goethals	John G. Merselis, Jr., M.D.
Diana D. Brooks	Maynard A. Hodgdon	Bradley C. Svruga
Richard B. Bullett	Susan S. Hogan	John N. Umlauf, CPA
GailAnne Cariddi	John C. Holden	
Robert W. Collins	Hulda Hardman Jowett	

CORPORATORS (in addition to Directors)

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

HONORARY DIRECTORS

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

HONORARY CORPORATORS

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

Hoosac Bank

BOARD OF DIRECTORS

Pamela B. Art	Stephen G. Crowe, CPA	Richard C. Lamb
Theresa M. Bellini	Nicholas N. Flynn	Stephen M. Long, Jr. – (Chairman)
Howard E. Brookner	George R. (Al) Goethals	John G. Merselis, Jr., M.D.
Diana D. Brooks	Maynard A. Hodgdon	Bradley C. Svruga
Richard B. Bullett	Susan S. Hogan	John N. Umlauf, CPA
GailAnne Cariddi	John C. Holden	
Robert W. Collins	Hulda Hardman Jowett	

Williamstown Savings Bank

BOARD OF DIRECTORS

Pamela B. Art	Robert W. Collins	Hulda Hardman Jowett
Theresa M. Bellini	Stephen G. Crowe, CPA	Richard C. Lamb
Howard E. Brookner – (Chairman)	Nicholas N. Flynn	Stephen M. Long, Jr.
Diana D. Brooks	George R. (Al) Goethals	John G. Merselis, Jr., M.D.
Richard B. Bullett	Maynard A. Hodgdon	Bradley C. Svruga
GailAnne Cariddi	Susan S. Hogan	John N. Umlauf, CPA
	John C. Holden	

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. George R. (Al) Goethals 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. True North Benefits Administrators, Inc. is a wholly owned subsidiary of True North Insurance Agency, 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

2004 Annual Report

To Our Community,

Throughout 2004, we continued our commitment to provide outstanding products and exceptional service in a profitable manner, while supporting the growth of our employees and the communities we serve. If these phrases sound familiar, it's because they represent the core elements of our mission statement – the reasons we formed MountainOne Financial Partners three years ago. Our unique partnership allows us to offer customers a wide range of banking services, customized insurance products, and comprehensive investment management.

At MountainOne, we know it's our people who differentiate us from other financial services companies. Last year, we began allocating significant resources toward further developing the sales and service skills of our staff, so we can meet the growing needs of our customers even better in the future. The goal of this initiative, which we call Peak Performers, is to create a "WOW" experience for our customers at every "Moment Of Opportunity." In 2004, we also introduced several new products to serve our customers, including Pinnacle Banking, which is our premier relationship banking package.

The individual companies that comprise MountainOne Financial Partners have always shared a deep sense of community. Last year, we gave almost \$350,000 in cash contributions to local not-for-profit organizations – an extraordinary sum that is well beyond our competitors. In addition, our employees devote countless hours to community organizations in leadership and other volunteer positions.

Our two non-banking affiliates – Coakley, Pierpan, Dolan & Collins Insurance Agency and True North Financial Services – continued their history of delivering sophisticated, personalized services, while contributing significantly to our net income. Our two banks – Williamstown Savings Bank and Hoosac Bank – again recorded strong loan volume in 2004, although down from the historic highs of 2003. Since the mortgage refinancing boom has essentially ended, we expect that those levels will not be exceeded for some time.

While the local economy is still struggling, the national economy is growing at a healthy pace. Hence, national short-term interest rates are rising, putting pressure on net interest income for banks. After improving our core earnings in 2004, we now face a flattening yield curve that will jeopardize earnings growth in 2005.

Last year, we strengthened our management team through the addition of new talent and the promotion of several deserving individuals. I am extremely proud of everything that our employees have accomplished over the past three years. As I mentioned earlier, it's our people who make the difference.

Many noteworthy events occurred beyond our community in 2004, but best of all was the World Series win by the Boston Red Sox (sorry, Yankee fans).

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



Stephen G. Crowe
President & Chief Executive Officer



Hoosac Bank

OFFICERS

Stephen G. Crowe	President & Chief Executive Officer
Donald E. Keagan	Executive Vice President - Chief Financial Officer
John C. Law	Executive Vice President
Debra M. Kushnet	Senior Vice President - Retail Lending
Kathleen J. Luczynski	Senior Vice President - Finance & Operations
Steven S. Iacuesssa	Senior Vice President - Commercial Lending
Richard J. Alcombright	Vice President - Retail Banking
Richard H. Alley	Vice President - Commercial Lending
John T. DeCelle	Vice President - Marketing
Cynthia J. Sault	Vice President - Retail Lending
Debra A. Wooley	Vice President - Controller
Ursula M. Nowak	Retail Lending Officer
Cynthia P. Noyes	Executive Administrator
Carolina A. Pilot	Deposit Operations Manager
Eva Sheridan	Director of Human Resources
Jean L. Sherman	Compliance Officer

STAFF

Laurie A. Babcock	Tanya L. Derby	Lisa J. Mineau
Christina L. Barrett	Sarah E. DeSanty	Melissa S. Mongeon
Alfred L. Bedini	Kelly L. Dubie	Maria T. Moulton
Ryan M. Belanger	Sharon A. Engwer	Wolfgang W. Peters
Laura J. Belleau	Richard J. Guyette, Sr.	Diana J. Pikul
Alicia A. Benoit	Erica R. Haskell	Jeffrey P. Polucci
Jody M. Berard	Jessica L. Hurlbut	Patricia A. Prenguber
Heather J. Bona	Marion J. Jammalo	Amy L. Reese
Lisa A. Brandon	Jessica M. Kelly	Jennifer L. Richard
Geraldine A. Brassard	Filiz T. Korkmaz	Kimberly A. Sacco
Donna L. Brooks	Mary P. LeClair	Kristen L. Schmehl
Lea M. Bruneau	Susan E. LeClair	Timothy J. Shepard
Tyna L. Burda	Trista A. Leonesio	Deborah A. Tatro
Cheryl F. Bush	Becky A. McAllister	Erin M. Tatro
Carol A. Chretien	David J. McKay	Ruth A. Zappula
Nancy A. Daigneault	Jennifer M. Meaney	
Denise D. Davis	Kathryn A. Meranti	

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, Jr.
Debra A. Bishop	Karen A. McGray	Tracy J. Schmidt
Donna M. Bishop	Angela D. Metivier	Leslie A. Stehle
Katherine E. Bishop	Edith B. Monroe	Sandra M. Steuer
Wendy A. Duprea	Christine A. Moyer	Blair E. Torelli
Grace J. Gray	Rosanna M. Neal	Jeanne E. Wilk
Lisa A. Hannaleck	Kathleen M. O'Brien	Joan C. Wise
Kathleen G. Harrington	Stephanie J. O'Grady	
Phyllis P. Kellogg	Gary R. Ostrander	

Williamstown Savings Bank

OFFICERS

Stephen G. Crowe	President & Chief Executive Officer
Donald E. Keagan	Executive Vice President - Chief Financial Officer
John C. Law	Executive Vice President
Debra M. Kushnet	Senior Vice President - Retail Lending
Steven S. Iacuesssa	Senior Vice President - Commercial Lending
Kathleen J. Luczynski	Senior Vice President - Finance & Operations
Richard J. Alcombright	Vice President - Retail Banking
Maureen E. Baran	Vice President - Commercial Lending
John T. DeCelle	Vice President - Marketing
Debra A. Wooley	Vice President - Controller
Donna M. Choquette	Asst. Vice President - Branch Manager
Lori D. Schroyer	Asst. Vice President - Commercial Lending
Shannon L. Tatro	Asst. Vice President - Retail Lending Operations Officer
Cynthia P. Noyes	Executive Administrator
Holly E. Ogden	Retail Lending Officer
Eva Sheridan	Director of Human Resources
Jean L. Sherman	Compliance Officer

STAFF

Nancy E. Baran	Paula J. Malloy	Suzanne M. St.Hillaire-Mason
Bethany L. Bartlett	Tracy L. McConnell	Kaleena K. Stone
Jean F. Bourn	Holly T. Mead	Linda A. Sumner
Elizabeth L. Howcroft	Mary M. Morrow	Tricia L. Tatro
Patricia B. King	Suzanne M. Patenaude	Rachel P. Vadnais
Carolyn F. Larabee	Frances M. Pierce	Myra L. Wilk
Paula M. LeMire	Jennifer A. Rumbolt	Andrea J. Wimpenny
Katie M. Little	Linda R. Stevenson	Ellen M. Wohrl

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 & Fin Op
Robert W. Collins	Clerk of the Corporation

STAFF

Robert G. Abel	Jami-Lynn Frank	Henry J. Pierpan
Patrice M. DeSanty	Doris M. Karamatsos	Maria M. Wadsworth
James E. Durand	Kelly J. Lawson	Edward M. Warren

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
Sue A. O'Neil	Executive Assistant to the President

STAFF

Mark L. Selkowitz	Jean M. Stone	Diane J. Wojcik
Kimberly A. Shepard	Allison E. Vickstrom	

True North Benefits Administrators, Inc.

OFFICERS

Richard C. Lamb	President & Chief Executive Officer
Stephen G. Crowe	Treasurer
Robert W. Collins	Clerk of the Corporation

STAFF

Jean M. Stone	Holly A. Taylor
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MountainOne Financial Partners, MHC Consolidated Statements Of Earnings* (Audited)

YEARS ENDED DECEMBER 31

	2004	2003	2002
INTEREST INCOME			
Interest and Fees on Loans	\$13,748,179	\$13,889,058	\$17,224,050
Interest on Investment Securities	7,845,597	6,479,146	7,848,418
Interest on Federal Funds Sold	23,619	70,904	84,697
Total Interest Income	<u>21,617,395</u>	<u>20,439,108</u>	<u>25,157,165</u>

INTEREST EXPENSE

Interest on Deposits	4,990,093	6,709,294	10,386,946
Interest on Borrowed Funds	4,197,063	3,595,353	3,397,517
Interest On Notes Payable	153,300	163,791	173,898
Total Interest Expense	<u>9,340,456</u>	<u>10,468,438</u>	<u>13,958,361</u>

Net Interest Income Before Provision for Loan Losses	12,276,939	9,970,670	11,198,804
Provision for Loan Losses	730,000	255,000	660,000
Net Interest Income After Provision for Loan Losses	<u>11,546,939</u>	<u>9,715,670</u>	<u>10,538,804</u>

NON-INTEREST INCOME

Customer Service Charges on Deposits	475,494	462,466	463,871
Other Fees and Income	7,301,136	7,512,329	5,638,496
Gains On Investment Securities Transactions	668,527	830,034	335,049
Total Non-Interest Income	<u>8,445,157</u>	<u>8,804,829</u>	<u>6,437,416</u>

NON-INTEREST EXPENSE

Salaries and Employee Benefits	8,095,272	7,248,558	6,630,377
Occupancy Expense	1,290,639	1,311,699	1,167,549
Furniture and Equipment	641,855	745,101	630,116
Contributions	342,082	390,520	322,577
Other Expense	6,133,242	4,901,846	5,058,540
Total Non-Interest Expense	<u>16,503,090</u>	<u>14,597,724</u>	<u>13,809,159</u>

Net Income Before Taxes	3,489,006	3,922,775	3,167,061
Income Taxes	904,116	1,161,448	1,040,983

NET INCOME	<u>\$2,584,890</u>	<u>\$2,761,327</u>	<u>\$2,126,078</u>
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MountainOne Financial Partners, MHC Consolidated Statements Of Condition* (Audited)

AS OF DECEMBER 31

	2004	2003	2002
ASSETS			
Cash and Due From Banks	\$ 11,496,478	\$ 13,101,836	\$ 13,675,477
Investment Securities	236,634,470	201,332,333	169,372,299
Fed Funds Sold	2,357,960	2,392,642	4,195,896
Loans:			
Residential Real Estate	171,740,086	160,376,187	169,839,871
Commercial Real Estate	61,502,084	45,099,185	52,869,869
Commercial	24,592,658	18,531,900	16,284,523
Installment	2,733,383	3,272,450	3,937,940
	<u>260,568,211</u>	<u>227,279,722</u>	<u>242,932,203</u>
Allowance for Loan Loss	(3,445,494)	(2,778,116)	(2,604,486)
Deferred Loan Costs, Net	<u>165,817</u>	<u>74,665</u>	<u>15,084</u>
Net Loans	257,288,534	224,576,271	240,342,801

Other Real Estate Owned	-	-	-
Bank Premises and Equipment	12,869,652	13,577,516	13,736,672
Goodwill	1,843,691	1,783,691	1,783,691
Other Assets	<u>21,120,312</u>	<u>19,103,106</u>	<u>18,040,026</u>

TOTAL ASSETS	<u>\$543,611,097</u>	<u>\$475,867,395</u>	<u>\$461,146,862</u>
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LIABILITIES AND CAPITAL

Deposits:			
Noninterest-Bearing	\$ 21,191,037	\$ 17,413,224	\$ 15,116,938
Interest-Bearing	<u>296,763,696</u>	<u>301,117,179</u>	<u>313,755,936</u>
	<u>317,954,733</u>	<u>318,530,403</u>	<u>328,872,874</u>

Borrowed Funds	157,254,914	94,370,415	68,880,791
Other Liabilities	12,612,573	8,237,770	10,677,526
Total Liabilities	<u>487,822,220</u>	<u>421,138,588</u>	<u>408,431,191</u>

Total Capital	<u>55,933,877</u>	<u>54,728,807</u>	<u>52,715,671</u>
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TOTAL LIABILITIES & CAPITAL	<u>\$543,756,097</u>	<u>\$475,867,395</u>	<u>\$461,146,862</u>
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*Consolidated Statements Of Earnings adjusted to reflect a combination of the operating subsidiaries of MountainOne Financial Partners, MHC prior to the formation of the mutual holding company on May 1, 2002.

*Consolidated Statements Of Condition adjusted to reflect a combination of the operating subsidiaries of MountainOne Financial Partners, MHC prior to the formation of the mutual holding company on May 1, 2002.