

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.
Richard B. Bullett	Susan S. Hogan	(Chairman)
Gailanne M. Cariddi	John C. Holden	Bradley C. Svrluga

CORPORATORS (in addition to Directors)

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

HONORARY DIRECTORS

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

HONORARY CORPORATORS

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

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. –
Diana D. Brooks	Maynard A. Hodgdon	(Chairman)
Richard B. Bullett	Susan S. Hogan	John G. Merselis, Jr., M.D.
Gailanne M. Cariddi	John C. Holden	Bradley C. Svrluga

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 –	Stephen G. Crowe, CPA	Richard C. Lamb
(Chairman)	Nicholas N. Flynn	Stephen M. Long, Jr.
Diana D. Brooks	Maynard A. Hodgdon	John G. Merselis, Jr., M.D.
Richard B. Bullett	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

2006 Annual Report


Hoosac Bank

TrueNorth

Coakley
Pierpan
Dolan &
Collins


Williamstown
SAVINGS BANK

To Our Community,

As forecast, 2006 was a very challenging year for community banks. Competition for loans and deposits was exacerbated by population, demographic, and economic forces in our region that are not favorable to community banks. In addition, an inverted yield curve lowered our margins as the Federal Reserve continued to raise short term interest rates through mid-year. And, as a result, earnings were down in 2006.

In spite of these operating challenges, we continue to look to the future with optimism as we add new accounts and services, invest in leading edge technology, strengthen our staff, and give back to our community. Our employees, residing in three states, add significantly to the community through their volunteer work with local organizations. We continue to seek and meet the credit needs of the community, as evidenced by our number one market share position in Northern Berkshire County. True North is building a dedicated base of personal and business clients seeking sophisticated and personalized non-bank financial services. And, Coakley, Pierpan, Dolan & Collins is celebrating its 80th year as one of the largest property and casualty insurance agencies in Western Massachusetts.

There are pundits who predict the demise of community banking. Call us contrarians, but we believe our innovative strategic plan will help us maintain our position as a leading provider of financial services to individuals and businesses, while being recognized as a customer-friendly, community-oriented, mutual organization that is well-managed, profitable, and financially-sound.

MountainOne Financial Partners continues to be the only two-bank mutual holding company in Massachusetts. This was an innovative and unique structure when we began our affiliation in 2002. We now see and hear that other banks in Massachusetts are looking at our structure strategically and trying to emulate us. In our view, multi-bank mutual holding companies will be the new paradigm for community banks with a mutual charter.

In December 2006, the MountainOne Financial Partners Board of Trustees voted to form a strategic partnership with South Coastal Bank, a mutual bank located in Rockland, Massachusetts. We look forward with great enthusiasm to completing this transaction in 2007 and welcoming South Coastal Bank to our family of companies. This partnership will further strengthen all of our companies as we strive to meet the challenges ahead and serve the needs of our customers, our employees, and our communities.

Since 1848, our companies have established a distinguished record of providing locally based, locally managed financial services. We will continue to provide the breadth of accounts and services our customers want and the exceptional service they have come to expect.



Stephen G. Crowe
President & Chief Executive Officer

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

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 - Retail Banking & Marketing
Steven S. Iacuesa	Senior Vice President - Business Lending
Debra M. Kushnet	Senior Vice President - Retail Lending
Richard J. Alcombright	Vice President - Retail Banking
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
Alfred L. Bedini	Branch Manager
Mary P. LeClair	Human Resources Officer
Becky A. McAllister	Branch Manager
Tracy L. McConnell	Business Lending Officer
Cynthia P. Noyes	Executive Administrative Officer
Carolina A. Pilot	Deposit Operations Officer
Jeffrey P. Polucci	Security Officer
Cynthia J. Sault	Retail Lending Officer
Jean L. Sherman	Compliance Officer

STAFF

Kim E. Anderson	Kelly L. Dubie	Maria T. Moulton
Jessica J. Andrews	Sharon A. Engwer	Hannah K. Noel
Laura J. Belleau	Jennifer L. Filiault	Erin L. Patten
Alicia A. Benoit	Peter M. Fortier	Wolfgang W. Peters
Jody M. Berard	Sarah E. Gaffey	Amy L. Reese
Heather J. Bona	Trevor Hopton	Jennifer L. Richard
Sharon L. Bouchard	Marion J. Jammalo	Stephanie C. Rufo
Lisa A. Brandon	Kelli E. Kozak	Timothy J. Shepard
Geraldine A. Brassard	Kristen L. LaFleur	Jamie L. Sherman
Lea M. Bruneau	Kelsey M. LeClair	Deborah A. Tatro
Tyna L. Burda	Susan E. LeClair	Erin M. Tatro
Cheryl F. Bush	Bryce J. Maruco	Janine A. Tatro
Christine E. Ciskowski	David J. McKay	Melissa A. Tremblay
Shelley Cozzaglio	Jennifer M. Meaney	Myra L. Wilk
Nancy A. Daigneault	Kathryn A. Meranti	Ruth A. Zappula
Denise D. Davis	Lisa J. Mineau	
Laurie A. Douglas	Candace M. Morey	

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

OFFICERS

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

STAFF

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

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 - Retail Banking & Marketing
Steven S. Iacuesa	Senior Vice President - Business Lending
Debra M. Kushnet	Senior Vice President - Retail Lending
Richard J. Alcombright	Vice President - Retail Banking
Maureen E. Baran	Vice President - Business 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
Mary P. LeClair	Human Resource 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	Sarah Y. Lewis	Linda R. Stevenson
Jean F. Bourn	Paula J. Malloy	Suzanne St Hilaire Mason
Rachel E. Caryofillos	Holly T. Mead	Susan D. Sullivan
Paula M. Dolan	Melanie A. Neyland	Linda A. Sumner
Deborah S. Gleason	Paula J. O'Neil	Michele M. Tatro
Elizabeth L. Howcroft	Katie M. O'Neill	Rachel P. Vadnais
Patricia B. King	Suzanne M. Patenaude	Andrea J. Wimpenny
Carolyn F. Larabee	Frances M. Pierce	

True North Financial Services, Inc.

OFFICERS

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

STAFF

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

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

Monique R. DiGennaro	Sue A. O'Neil	Seth A. Shepard
Linda A. Grande	Mark L. Selkowitz	Diane J. Wojcik
Jodi L. Hollingsworth	Kimberly A. Shepard	
Kathy A. Krutiak	Jean M. Stone	

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

YEARS ENDED DECEMBER 31

	2006	2005	2004
INTEREST INCOME			
Interest and fees on loans	\$17,481,547	\$15,374,853	\$13,748,179
Interest on investment securities	13,972,938	10,226,787	7,845,597
Interest on Fed Funds sold	127,795	77,542	23,619
Total interest income	<u>31,582,280</u>	<u>25,679,182</u>	<u>21,617,395</u>

INTEREST EXPENSE

Interest on deposits	10,005,362	6,482,532	4,990,093
Interest on borrowed funds	10,665,597	6,771,377	4,197,063
Interest on notes payable	96,020	109,540	153,300
Total interest expense	<u>20,766,979</u>	<u>13,363,449</u>	<u>9,340,456</u>

Net interest income before			
Provision for loan losses	10,815,301	12,315,733	12,276,939

Provision for loan losses	<u>104,789</u>	<u>463,630</u>	<u>730,000</u>
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Net interest income after			
Provision for loan losses	<u>10,710,512</u>	<u>11,852,103</u>	<u>11,546,939</u>

NON-INTEREST INCOME

Customer service charges on deposits	870,753	780,977	475,494
Other fees and income	8,310,731	8,068,227	7,301,136
Gains on investment securities transactions	52,231	10,524	668,527
Total non-interest income	<u>9,233,715</u>	<u>8,859,728</u>	<u>8,445,157</u>

NON-INTEREST EXPENSE

Salaries and employee benefits	9,018,747	8,198,417	8,095,272
Occupancy	1,366,995	1,407,365	1,290,639
Furniture and equipment	555,649	605,669	641,855
Contributions	357,180	389,958	342,082
Other	5,911,504	5,599,473	6,133,242
Total non-interest expense	<u>17,210,075</u>	<u>16,200,882</u>	<u>16,503,090</u>

Net income before taxes	2,734,152	4,510,949	3,489,006
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Income taxes	<u>392,995</u>	<u>1,267,969</u>	<u>904,116</u>
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NET INCOME	<u>\$ 2,341,157</u>	<u>\$ 3,242,980</u>	<u>\$ 2,584,890</u>
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MountainOne Financial Partners, MHC Consolidated Statements Of Condition (Audited)

AS OF DECEMBER 31

	2006	2005	2004
ASSETS			
Cash and due from banks	\$ 12,345,085	\$ 10,254,093	\$ 11,496,478
Investment securities	314,581,047	297,213,917	236,634,470
Fed funds sold	2,339,541	1,447,906	2,357,960

Loans:			
Residential real estate	179,058,422	170,556,311	171,740,086
Commercial real estate	91,307,428	62,407,791	61,502,084
Commercial	9,426,869	31,137,953	24,592,658
Installment	<u>3,043,495</u>	<u>2,768,727</u>	<u>2,733,383</u>
	282,836,213	266,870,782	260,568,211

Allowance for loan loss	(3,634,951)	(3,658,335)	(3,445,494)
Deferred loan costs, net	<u>369,033</u>	<u>391,693</u>	<u>165,817</u>
Net loans	279,570,296	263,604,140	257,288,534

Other real estate owned	25,000	-	-
Bank premises and equipment	12,567,080	12,332,463	12,854,652
Goodwill	1,843,691	1,843,691	1,843,691
Other assets	<u>24,985,047</u>	<u>23,800,127</u>	<u>21,280,312</u>

TOTAL ASSETS	<u>\$648,256,787</u>	<u>\$610,496,337</u>	<u>\$543,756,097</u>
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LIABILITIES AND CAPITAL

Deposits:			
Non-interest-bearing	\$ 19,656,552	\$ 20,842,234	\$ 21,191,037
Interest-bearing	<u>327,568,220</u>	<u>307,142,920</u>	<u>296,763,696</u>
	<u>347,224,772</u>	<u>327,985,154</u>	<u>317,954,733</u>

Borrowed funds	226,716,106	204,562,189	157,254,914
Other liabilities	<u>14,688,678</u>	<u>20,706,745</u>	<u>12,612,573</u>
Total liabilities	<u>588,629,556</u>	<u>553,254,088</u>	<u>487,822,220</u>

Total capital	<u>59,627,231</u>	<u>57,242,249</u>	<u>55,933,877</u>
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TOTAL LIABILITIES & CAPITAL	<u>\$648,256,787</u>	<u>\$610,496,337</u>	<u>\$543,756,097</u>
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