



MountainOne
Financial Partners

2009

Annual Report

Hoosac Bank
Coakley, Pierpan, Dolan & Collins
South Coastal Bank
True North
Williamstown Savings Bank

To Our Community,

Panic and fear in financial markets during 2008 stabilized in 2009 and have been replaced by uncertainty and concern. High unemployment and the pace of recovery are now in the spotlight, along with very high levels of deficits nationally and in Massachusetts. To date, it appears federal interventions have been inconsistent and not always directed at root issues. I'm hopeful this will change.

More than at any time in memory, politics has entered the financial marketplace and is very much on our minds. Financial regulatory reform continues to be debated in Washington, D.C., with some recognition that traditional community banking is different than Wall Street, and that community bankers did not cause the panic and fear we witnessed. "Too big to fail" and unregulated activities should be top priorities at this time. It's clear that we must continue to be involved and strong advocates in order to keep this message in front of policy makers.

During the year, we improved our balance sheet and strengthened our entire financial position. We are well capitalized, loan loss reserves have been bolstered, and earnings are poised to improve. Although our bottom line has been disappointing for the past two years, we have been profitable in the most difficult banking environment in two generations. With very strong loan growth again in 2009, all from the 2007 acquisition of South Coastal Bank, we have positioned our company for better results in 2010 and beyond.

Our non-banking companies have faced difficult times, too, and have made several strategic moves to position themselves for the next several years. I'm confident that these initiatives will provide better service and results in 2010.

MountainOne continues to be a value prospect for our partners and is still a source of wonderment to our competitors. I am more than ever convinced that our innovative business model is the correct one for us, and perhaps for other community banks as well. Our strategic plan includes continuing to seek additional partners in the right markets, and with the right management team.

As the financial regulatory arena changes, and as the economy improves (we do not know when, but it will), we are positioned with strong capital and an excellent and experienced team to provide locally-based and locally-managed financial services, a tradition that began in 1848.

On behalf of the Board of Trustees and all of our employees, thank you for your business, your support, and your confidence.



Stephen G. Crowe
President & Chief Executive Officer

MountainOne Financial Partners

BOARD OF TRUSTEES

Pamela B. Art	Maynard A. Hodgdon	Robert E. Shalgian
Daniel E. Bosley, <i>Chair</i>	John C. Holden	Bradley C. Svrluga
David W. Crane	John J. O'Connor III	
Stephen G. Crowe, <i>President & CEO</i>	Richard T. Palmisano II	Kelli E. Kozak, <i>Clerk</i> <i>(non-voting)</i>
	Richard J. Phelps	

CORPORATORS

Mary Ann Abuisi	Michael Gardner	John J. O'Connor III
Billie Lynn Allard	David Gemelli	Maureen M. O'Mara
William Apkin	Paul Gemelli	Reinhold M. Ott
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Patricia M. Campbell	Susan S. Hogan	Robert E. Shalgian
James L. Canavan, Jr.	John C. Holden	Ann Shannon
Noreen Carey-Neville	Christina L. Howard	Andrea H. Shatken
Gailanne M. Cariddi	Deborah A. Jackson-Zereski	Gregory P. Shine
David Carver	Robert Jandl	Anthony M. Smeglin
Donald B. Clark	Richard Jasper, Jr.	Edwin L. Smith
Eileen M. Clark	Hulda Hardman Jowett	Robert A. Smith
Paula Clough	Thomas P. Kaegi	William Spence
Jonathan Cluett	Donald E. Keagan	Susan B. Spooner
Carol A. Colantuono	Richard Kielman	Roger E. St.Pierre
Robert W. Collins	Stephen P. Klass	Sr. Lydia Steele
David W. Crane	Arthur L. Lafave	Suzanne J. Stinson
Stephen G. Crowe	Richard C. Lamb	Matthew Storey
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Alexander L. Daugherty	John C. Law	Bradley C. Svrluga
Richard L. DeMayo	Albert J. LePak	Colleen Taylor
Suzanne R. Dewey	Thomas Leveque	Joseph C. Thompson
Timothy R. Dolan	James D. Little	Steven Triffletti
Donald Dubendorf	Kevin Maguire	Donald Trimarchi
Kathleen F. Dunn	Thomas Manuel	Thomas Vautin
Paul R. Dupuis	Robert Manzella	Robert C. Ware
Ronald B. Durning, Jr.	Alan L. Marden	David J. Westall
Rosemary Earley	Thomas R. Maselli	James S. Whitney
Nicholas M. Edgerton	Marcia McFarland-Gray	Barry Whittaker
John R. Elder	Jon McGrath	William R. Wilson, Jr.
Thomas G. Elder	Maureen N. McGuire	Christopher Wolf
William E. Elder	William R. Miller	Catherine M. Yamamoto
Neil Engstrom	Rosemary K. Moore	Susan J. Yates-Mulder
Marilyn S. Faulkner	K. Elaine Neely	David Zimmerman
J. Adam Filson	Kimberly Nelson	
David F. Fowle	Linda Neville	
Robert J. Fraser	Edward F. Nimmons	
Thomas A. Gajda	Thomas O'Connell	

MountainOne Financial Partners

EXECUTIVE OFFICERS

Daniel E. Bosley	Chairman
Stephen G. Crowe	President & Chief Executive Officer
Donald E. Keagan	Executive Vice President & Treasurer
John J. O'Connor III	Executive Vice President

Hoosac Bank

OFFICERS

Donald E. Keagan	President & Chief Executive Officer, Executive Vice President, Treasurer, CFO/COO
John C. Law	Executive Vice President, Retail Banking & Marketing
Jill Allen	Senior Vice President, Retail Lending
Robert Ryan Leap	Senior Vice President, Commercial Lending
Debra A. Wooley	Senior Vice President, Controller
Liz Bissell	Vice President, Marketing
Paul E. Brindle	Vice President, Commercial Lending
Mary M. Morrow	Vice President, Retail Banking
James D. Pompilio	Chief Information Officer
Eva Sheridan	Vice President, Human Resources
Jean L. Sherman	Vice President, Compliance/BSA Officer
Shannon L. Sweet	Vice President, Loan Operations
Gerald Biron	Assistant Vice President, Secondary Market Officer
Donna M. Choquette	Assistant Vice President, Branch Administrator
Tracy L. McConnell	Assistant Vice President, Commercial Lending
Kim E. Anderson	Loan Operations Officer
Alfred L. Bedini, Jr.	Branch Manager
Gwenn Bishop	Retail Lending Managing Officer
Sarah E. Gaffey	Branch Manager
Mary P. LeClair	Human Resource Officer
Becky A. McAllister	Branch Operations Officer
Cynthia P. Noyes	Operations Officer
Carolina A. Pilot	Deposit Operations Officer
Jeffrey Polucci	Facilities & Security Officer
Cynthia J. Sault	Retail Lending Officer
Timothy Shepard	Information Technology Officer
Myra L. Wilk	Retail Lending Officer

Coakley, Pierpan, Dolan & Collins Insurance Agency, Inc. (CPDC)

OFFICERS

Timothy R. Dolan	President
David R. Bissaillon	Vice President
Grace J. Gray	Vice President, Agency Administration & Customer Service
William R. Robinson	Vice President, Sales

South Coastal Bank

OFFICERS

Robert J. Fraser	President & Chief Executive Officer
Barry H. Whittaker	Executive Vice President & Chief Operating Officer
Peter W. Radigan	Senior Vice President, Retail Lending
Timothy P. Rhuda	Senior Vice President & Senior Commercial Loan Officer
Jeannette C. Travaline	Senior Vice President, Retail Sales & Marketing
Joseph Comnesso	Vice President, Business Development/Branch Manager
Patricia A. Dandrow	Vice President, Commercial Loan Officer
Mark A. D'Onofrio	Vice President, Commercial Loan Officer
Rosemary T. Earley	Vice President, Assistant to the President/CEO, HR Officer & Clerk of the Board
Thomas B. Landers III	Vice President, Commercial Lending
James E. Milch	Vice President, Real Estate Lending
Ann M. O'Keefe	Vice President, Retail Operations/Bank Security/Secrecy Officer
Kirk P. Small	Vice President, Business Development/Branch Manager
John R. Ward	Vice President, Senior Retail Lending Officer
Paula C. Clough	Assistant Vice President, Finance
Maureen Courtney	Assistant Vice President, Regional Branch Operations Manager
Stacey Cocco	Business Development Officer & Branch Manager
Adam Conrad	Business Development Officer & Branch Manager
James W. Emmett	Mortgage Officer
Matthew B. Kreiser	Commercial Lending Officer
Robert F. Orlando	Senior Mortgage Officer
Frances J. Wong	Marketing & Public Relations Officer

True North

OFFICERS

Richard C. Lamb	President & Chief Executive Officer
Robert G. Abel	Vice President
James E. Durand	Vice President, Chief Investment Officer
Linda B. Levesque	Vice President
Holly A. Taylor	Vice President
Stephanie Scott	Chief Compliance Officer

Williamstown Savings Bank

OFFICERS

John C. Law	President & Chief Executive Officer
Donald E. Keagan	Executive Vice President, Retail Banking & Marketing
Jill Allen	Executive Vice President, Treasurer, CFO/COO
Robert Ryan Leap	Senior Vice President, Retail Lending
Debra A. Wooley	Senior Vice President, Commercial Lending
Liz Bissell	Senior Vice President, Controller
Paul E. Brindle	Vice President, Marketing
Mary M. Morrow	Vice President, Commercial Lending
James D. Pompilio	Vice President, Retail Banking
Eva Sheridan	Chief Information Officer
Jean L. Sherman	Vice President, Human Resources
Shannon L. Sweet	Vice President, Compliance/BSA Officer
Gerald Biron	Vice President, Loan Operations
Donna M. Choquette	Assistant Vice President, Senior Retail Credit Officer
Tracy L. McConnell	Assistant Vice President, Branch Administrator
Kim E. Anderson	Assistant Vice President, Commercial Lending
Gwenn Bishop	Loan Operations Officer
Mary P. LeClair	Retail Lending Managing Officer
Cynthia P. Noyes	Human Resource Officer
Carolina A. Pilot	Operations Officer
Jeffrey Polucci	Deposit Operations Officer
Cynthia J. Sault	Facilities & Security Officer
Tyna L. Senecal	Retail Lending Officer
Timothy Shepard	Branch Manager
Myra L. Wilk	Information Technology Officer
	Retail Lending Officer

MountainOne Financial Partners

Consolidated Statements Of Earnings

YEARS ENDED DECEMBER 31

	2009	2008	2007
INTEREST INCOME			
Interest and Fees on Loans	\$ 26,811,520	\$ 27,249,022	\$ 28,903,424
Interest on Investment Securities	11,093,331	17,837,411	16,902,810
Interest on Federal Funds Sold	12,043	378,297	375,064
Total Interest Income	<u>37,916,894</u>	<u>45,464,730</u>	<u>46,181,298</u>
INTEREST EXPENSE			
Interest on Deposits	9,762,170	14,530,138	17,507,464
Interest on Borrowed Funds	8,708,295	11,113,656	12,344,113
Interest on Subordinated Debt	1,564,355	1,581,439	1,287,883
Interest on Notes Payable & Other Items	87,988	149,250	279,959
Total Interest Expense	<u>20,122,808</u>	<u>27,374,483</u>	<u>31,419,419</u>
Net Interest Income Before			
Provision for Loan Losses	<u>17,794,086</u>	<u>18,090,247</u>	<u>14,761,879</u>
Provision for Loan Losses	2,898,645	193,491	99,170
Net Interest Income After			
Provision for Loan Losses	<u>14,895,441</u>	<u>17,896,756</u>	<u>14,662,709</u>
NON-INTEREST INCOME			
Customer Service Charges on Deposits	1,227,691	1,251,805	1,468,704
Commissions & Other Income	8,610,846	9,317,477	9,179,732
Gains on Investment Securities Transactions	1,910,055	183,245	(243,413)
Writedown of Securities	(435,735)	(4,795,500)	
Total Non-Interest Income	<u>11,312,857</u>	<u>5,957,027</u>	<u>10,405,023</u>
NON-INTEREST EXPENSE			
Salaries and Employee Benefits	14,749,201	13,106,305	16,092,349
Occupancy Expense	2,209,208	2,165,987	2,056,125
Equipment Expense	792,088	813,367	800,860
Contributions	268,442	250,178	253,176
Other Expense	9,042,783	8,488,405	8,443,517
Total Non-Interest Expense	<u>27,061,722</u>	<u>24,824,242</u>	<u>27,646,027</u>
Net Income Before Taxes	(853,424)	(970,459)	(2,578,295)
Income Tax Benefit (Expense)	<u>631,445</u>	<u>1,036,467</u>	<u>2,993,716</u>
NET (LOSS) INCOME	<u>\$ (221,979)</u>	<u>\$66,008</u>	<u>\$415,421</u>

MountainOne Financial Partners

Consolidated Balance Sheets

AS OF DECEMBER 31

	2009	2008	2007
ASSETS			
Cash and Due From Banks	\$ 17,902,221	\$ 18,524,581	\$ 10,784,010
Investment Securities	283,490,778	319,769,230	360,761,615
Federal Funds Sold	11,004,496	47,712	4,454,737
Loans:			
Residential Real Estate	266,912,560	299,736,902	292,323,124
Commercial Real Estate	180,473,145	125,543,695	117,831,787
Commercial	37,229,219	40,923,238	23,251,288
Consumer	3,847,970	4,996,632	4,538,360
	<u>488,462,894</u>	<u>471,200,467</u>	<u>437,944,559</u>
Allowance for Loan Loss	(7,152,533)	(4,972,677)	(5,097,422)
Deferred Loan Costs, Net	1,205,340	1,309,904	1,032,096
Net Loans	<u>482,515,701</u>	<u>467,537,694</u>	<u>433,879,233</u>
Other Real Estate Owned	890,000	352,421	-
Bank Premises and Equipment	14,641,585	13,716,130	14,147,038
Goodwill & Intangible Assets	2,143,382	2,243,347	2,484,978
Other Assets	42,766,100	40,319,069	35,811,855
	<u>42,766,100</u>	<u>40,319,069</u>	<u>35,811,855</u>
TOTAL ASSETS	<u>\$ 855,354,263</u>	<u>\$ 862,510,184</u>	<u>\$ 862,323,466</u>
LIABILITIES AND CAPITAL			
Deposits:			
Non-Interest-Bearing	\$ 48,105,402	\$ 44,566,936	\$ 40,990,355
Interest-Bearing	467,469,397	476,523,303	476,396,251
	<u>515,574,799</u>	<u>521,090,239</u>	<u>517,386,606</u>
Borrowed Funds	237,040,206	235,770,282	237,741,007
Subordinated Debt	20,620,000	20,620,000	20,620,000
Other Liabilities	16,134,913	21,203,415	16,898,667
Total Liabilities	<u>789,369,918</u>	<u>798,683,936</u>	<u>792,646,280</u>
Total Capital	<u>65,984,345</u>	<u>63,826,248</u>	<u>69,677,186</u>
TOTAL LIABILITIES & CAPITAL	<u>\$ 855,354,263</u>	<u>\$ 862,510,184</u>	<u>\$ 862,323,466</u>

Hoosac Bank

BOARD OF DIRECTORS

Pamela B. Art	David W. Crane	Donald E. Keagan, <i>President & CEO</i>
Daniel E. Bosley	Stephen G. Crowe	Richard T. Palmisano II
Diana D. Brooks	Maynard A. Hodgdon	Joseph C. Thompson
Richard B. Bullett, <i>Clerk</i>	Susan S. Hogan	
Gailanne M. Cariddi	John C. Holden, <i>Chair</i>	

South Coastal Bank

BOARD OF DIRECTORS

James J. Bailey	Robert J. Fraser, <i>President & CEO</i>	John J. O'Connor III, <i>Chair</i>
Daniel E. Bosley	Richard C. Jasper, Jr.	Richard J. Phelps
Noreen Carey-Neville	Jon F. McGrath	Robert E. Shalgian
Stephen G. Crowe	Kimberly P. Nelson	Ann P. Shannon
Rosemary T. Earley, <i>Clerk</i> (<i>non-voting</i>)	Thomas P. O'Connell	William F. Spence
		Thomas E. Vautin

Williamstown Savings Bank

BOARD OF DIRECTORS

Pamela B. Art, <i>Clerk</i>	David W. Crane	John C. Law, <i>President & CEO</i>
Daniel E. Bosley	Stephen G. Crowe	Richard T. Palmisano II
Diana D. Brooks	Maynard A. Hodgdon	Joseph C. Thompson
Richard B. Bullett	Susan S. Hogan	
Gailanne M. Cariddi	John C. Holden, <i>Chair</i>	

True North / CPDC

BOARD OF DIRECTORS

Pamela B. Art	Timothy R. Dolan, <i>Clerk</i>	Bradley C. Svruga, <i>Chair</i>
Richard B. Bullett	Susan S. Hogan	
Stephen G. Crowe	Richard C. Lamb, <i>Treasurer</i>	

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.

NON-DEPOSIT INVESTMENT AND INSURANCE PRODUCTS ...

- ARE NOT A DEPOSIT
- ARE NOT FDIC-INSURED
- ARE NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
- ARE NOT GUARANTEED BY THE BANK
- MAY GO DOWN IN VALUE

Hoosac Bank, Williamstown Savings Bank, and South Coastal Bank are wholly owned subsidiaries of MountainOne Financial Partners, Inc. which is a wholly owned subsidiary of MountainOne Financial Partners, MHC. True North Financial Services, Inc. and Coakley, Pierpan, Dolan and Collins Insurance Agency, Inc. are wholly owned subsidiaries of Hoosac Bank. True North Insurance Agency, Inc. is a wholly owned subsidiary of True North Financial Services, Inc. Insurance products are offered through Coakley, Pierpan, Dolan & Collins Insurance Agency, Inc. and True North Insurance Agency, Inc. Securities and Advisory Services offered through Commonwealth Financial Network®, Member FINRA/SIPC, a Registered Investment Adviser. Commonwealth is not affiliated with either True North, MountainOne Financial Partners or any of the MountainOne affiliated companies. Hoosac Bank, Williamstown Savings Bank and South Coastal Bank are Members FDIC, Members DIF and Equal Housing Lenders.