

Trustees of MountainOne Financial, MHC Directors of MountainOne Financial, Inc. Directors of MountainOne Bank

Pamela B. Art	David W. Crane	Thomas P. O'Connell
James J. Bailey, Jr.	Robert J. Fraser	William F. Spence
Daniel E. Bosley	Susan S. Hogan	Joseph C. Thompson
Richard B. Bullett	Stephen P. Klass	
Noreen Carey-Neville	Kevin A. Maguire	

Corporators

Billie Lynn Allard	Robert J. Fraser	Felicia Pharr
William Apkin	Michael Gardner, Jr.	Leslie Reed-Evans
Pamela B. Art	Brice George	Denise C. Richardello
James J. Bailey, Jr.	Paul Gordon	Mireille Roy
Ray Belanger, Jr.	Dean M. Grimes	Jonathan B. Sabin
Michael Bellotti	Vincent P. Guntlow	Robert J. Scerbo
Blair Benjamin	Michael Haddad, Jr.	Graham Shalgian
James F. Birge	Allen L. Hall	Matt Sheehy
Daniel E. Bosley	Kevin Hanley	Eva Sheridan
Julia Bowen	Paula Harris	Anthony M. Smeglin
John Bradley	Ruth G. Harrison	William F. Spence
Diana D. Brooks	Paul Hart	Roger E. St. Pierre
Andrew B. Budz	Susan S. Hogan	Suzanne J. Stinson
Richard B. Bullett	John C. Holden	Bradley C. Svruga
Daniel H. Campbell	Eric Kerns	Holly Taylor
Noreen Carey-Neville	Stephen P. Klass	Jeffrey Thomas
Lynne M. Carlotto	Teresa H. Lamb	Joseph C. Thompson
David Carver	Richard C. Lamb	Steve Triffletti
Eileen M. Clark	Kevin A. Lamb	Daniel Trombley
Paula J. Clough	Benjamin Lamb	Susannah Wells
Jonathan Cluett	Kevin A. Maguire	David J. Westall
Robert W. Collins	Robert Manzella	Susan J. Yates-Mulder
David W. Crane	Marcia McFarland	
Stephen G. Crowe	Jon McGrath	
Richard Curtis	Maureen N. McGuire	
Steven Del Negro	Amy Moresi	
Suzanne R. Dewey	David Moresi	
Donald R. Dubendorf	Kimberly Nelson	
Paul R. Dupuis	Linda E. Neville	
Rosemary Earley	Thomas P. O'Connell	
William E. Elder	Maureen M. O'Mara	
J. Adam Filson	Steven J. Owens	
David F. Fowle	Charles Perfetuo	

Our Mission

To deliver solutions of real value that help individuals, businesses, and community institutions manage their financial lives with clarity and confidence.

Our Core Commitments

- Asset Quality
- Customer Care
- Operational Distinction
- Professional Development
- Regulatory Accountability
- Community Engagement



North Adams | Pittsfield | Quincy | Rockland | Scituate | Williamstown

MountainOne is a mutual holding company headquartered in North Adams, MA. Founded in 1848, MountainOne Bank provides a complete array of personal and business banking and electronic services. MountainOne Insurance provides personal and business insurance, bonding services, and group benefits solutions. The financial advisors of MountainOne Investments offer securities and advisory services through Commonwealth Financial Network®, member FINRA/SIPC, a Registered Investment Adviser. Fixed insurance products and services offered through CES Insurance Agency or MountainOne Investments. MountainOne Bank is not a registered broker-dealer or Registered Investment Adviser. MountainOne Bank and MountainOne Insurance are not affiliated with Commonwealth. MountainOne Investments' main office is located at 85 Main Street, Suite 100, North Adams, MA 01247. (413) 664-4025

Insurance and Investments are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. Funds are subject to investment risks, including possible loss of principal investment.

MountainOne Bank is Member FDIC. Member DIF. Equal Housing Lender.

2018 Annual Report



Dear MountainOne Community:

Our financial results for 2018 were the strongest in MountainOne's history as measured by net income and other banking metrics such as Return on Assets. The results are a validation of our business plan of strong balance sheet management and a disciplined approach of extending credit. In 2018 we reported net income of just over \$5.6 million; an increase of 88% from the previous year. While 2018's results benefitted, in part, from a lower tax rate due to the Tax Cut and Jobs Act, the significant improvement in our operating results was primarily driven by an increased net interest margin, the growth of our construction loan portfolio - which typically carries higher yields, and effective management of non-interest expenses.

Entering 2019 we have implemented an operating philosophy of "Preserving the Quality We Have Created." Based on recent economic data a recession now seems less likely in 2019 or early 2020 than previously forecasted; however, we are expecting a more challenging year due to various factors including, but not limited to: an inverted yield curve negatively impacting net interest margin; a continued focus on asset quality over growth; lower residential mortgage banking volume; and a challenging market for deposit growth. In spite of these challenges we are focused on continuing on the path of strengthening our balance sheet and achieving a consistent earnings trend.

During the summer of 2018 our employees participated in an Employee Engagement Survey. It was very gratifying to have close to 100% participation given that the national average is 33%. The results of the survey have provided us with greater insights as to what is important to our employees. In keeping with our Core Commitments, we remain steadfast in our responsibility to provide an environment that is supportive of professional development and growth. We also have taken actions to be more fully engaged with our employees and improve communication.

The survey also helped to confirm our need to enhance the knowledge of our brand internally and externally - especially on the South Shore in eastern MA. To that end, we will soon be launching a new and exciting branding campaign in mid-2019 that raises awareness of MountainOne, communicates our value proposition, aligns with our business objectives, differentiates us in our markets and resonates with individuals and businesses. So, be on the lookout for our new ads and branding message!

As I end this letter to you I would be remiss not to mention one of the greatest concerns we have for our customers - FRAUD! Please become educated and aware of the many scams affecting consumers and businesses. Our website offers valuable information on the latest scams and steps you can take to protect yourself. Identity theft protection is available with some of our accounts. Please do not allow yourself to be victimized.

As always, thanks for your support!

Robert J. Fraser
President & Chief Executive Officer

MountainOne Financial Officers

Daniel E. Bosley	Chair
Pamela B. Art	Vice Chair
Robert J. Fraser	President & Chief Executive Officer
Lynne M. Carlotto	EVP, Senior Risk Management Officer
Steven J. Owens	EVP, CFO, COO, CIO, Treasurer
Noelle M. Pandell	Corporate Secretary
I. Michelle Devine	Assistant Secretary

MountainOne Investments Officers

Lynn Sullivan	President
Linda B. Levesque	Supervising Principal, Chief Operating Officer
Robert G. Abel	Senior Vice President, Financial Advisor
James E. Durand	Vice President, Financial Advisor & Head of Research

MountainOne Insurance Officers

Jonathan S. Denmark	President & Chief Operating Officer
Donna M. Bishop	Senior Vice President, Personal & Commercial Insurance
William R. Robinson	Senior Vice President, Sales Manager
Linda A. Febles	Vice President, Business Insurance
Grace J. Gray	Vice President, Customer Service & Claims
Eric P. Pratt	Vice President, Bonding Manager
Brian W. Drake	Vice President, Employee Benefits
John M. Flaherty	Vice President, Employee Benefits

MountainOne Bank Officers

Robert J. Fraser	President & Chief Executive Officer
Lynne M. Carlotto	EVP, Senior Risk Management & CRA Officer
Steven J. Owens	EVP, CFO, COO, CIO, Treasurer
Jill K. Amato	SVP, Marketing Officer
Richard W. Bromberg	SVP, IT Director, Information Security Officer
Stacy D. Litke	SVP, Senior Operations Officer
Michael Z. Pang	SVP, Credit Administration Officer
Elizabeth A. Petropulos	SVP, Senior Human Resources Officer
Timothy P. Rhuda	SVP, Senior Commercial Banking Officer
Lynn Sullivan	SVP, Executive Community Banking & Cash Management Officer

Melissa E. Weber	SVP, Mortgage Banking & Consumer Lending Officer
Debra A. Wooley	SVP, Controller
Richard J. Alcombright	VP, Local Business & Customer Relations Manager
Kim E. Anderson	VP, Loan Compliance Officer
Jonathan S. Denmark	VP, Insurance Services
Kelly C. Grant	VP, Senior Regional Community Banking Officer
Kelli E. Kozak	VP, Community Engagement Officer
Matthew B. Kreiser	VP, Commercial Banking Officer
Linda B. Levesque	VP, Financial Services
Kevin M. McGowan	VP, Commercial Banking Officer
Steven Munger	VP, Commercial Banking Officer
Stephanie Scott	VP, BSA/AML/OFAC & Deposit Compliance Officer
Erika L. Bailey	AVP, Loan Operations
Alicia A. Benoit	AVP, Electronic Banking Officer
Paula J. Clough	AVP, Finance
Alice M. Copeland	AVP, Underwriting and Processing Manager
Susan R. Crum	AVP, Branch Administration
I. Michelle Devine	AVP, Assistant to President & CEO, HR Liaison Officer, Assistant Secretary

Kelly L. Dubie	AVP, Customer Care Officer
Marie A. Harris	AVP, Credit Administrator
Elizabeth D. Kapner	AVP, Marketing Manager
Lisa J. Mineau	AVP, Human Resources Officer
Cynthia P. Noyes	AVP, Risk Management Analyst
Rebecca L. O'Regan	AVP, Consumer Credit Officer
Timothy J. Shepard	AVP, Information Technology Officer
Lucille A. Weare	AVP, Community Banking Officer
Nancy E. Baran	Deposit Operations Officer
Gwenn D. Bishop	Mortgage Underwriter
Brandon D. Cannata	Portfolio Manager
Paula M. Dolan	Loan Compliance Analyst
Peter M. Fortier	Facilities & Security Officer
Jessica A. McGovern	Executive Commercial Banking Assistant & Officer
Noelle M. Pandell	Executive Administrator, Corporate Secretary
Meghan L. Dunphy	Community Banking Officer
Sonia M. Figueira	Community Banking Officer
Greg Marchion	Community Banking Officer
Jacob Phillips	Community Banking Officer
Erin M. Galvin	Assistant Community Banking Officer
Colleen J. McClintock	Assistant Community Banking Officer
Erik Ray	Assistant Community Banking Officer
Devon E. Stone	Assistant Community Banking Officer
Nicole M. Wildermuth	Assistant Community Banking Officer

MountainOne Financial Consolidated Statements of Income

Years Ended December 31	2018	2017
	(Dollars in Thousands)	
Interest and dividend income:		
Loans, including fees	\$34,948	\$30,418
Securities	2,889	2,462
Federal funds sold and other	123	83
Total interest and dividend income	37,960	32,963
Interest expense:		
Deposits	6,272	4,456
Federal Home Loan Bank borrowings	2,403	2,334
Subordinated debt	958	921
Total interest expense	9,633	7,711
Net interest income	28,327	25,252
Provision for loan losses	1,600	2,000
Net interest income after provision for loan losses	26,727	23,252
Non-interest income:		
Customer service charges on deposits	853	800
Commissions on insurance and investment products	10,032	9,479
Mortgage banking income	604	991
(Loss) gain on securities, net	(10)	722
Other income	1,752	4,855
Total non-interest income	13,231	16,847
Non-interest expense:		
Salaries and employee benefits	19,918	19,639
Occupancy expense	2,684	2,663
Equipment expense	883	879
Data processing expense	1,772	1,604
FDIC deposit insurance assessments	472	401
Other expense	6,691	6,159
Total non-interest expense	32,420	31,345
Income before income taxes	7,538	8,754
Income tax expense	1,888	5,754
Net income	\$5,650	\$3,000

MountainOne Financial Consolidated Balance Sheets

As of December 31	2018	2017
	(Dollars in Thousands)	
Assets		
Cash and cash equivalents	\$20,075	\$12,728
Interest-bearing time deposits with other banks	250	500
Marketable equity securities, at fair value	97	—
Securities available for sale, at fair value	97,315	91,877
Federal Home Loan Bank stock, at cost	5,618	7,734
Loans held for sale, at fair value	1,506	13,221
Loans:		
Residential real estate	195,933	214,929
Home equity	47,532	53,591
Commercial real estate	256,218	278,140
Construction and land	117,635	90,960
Commercial	85,484	86,287
Consumer	8,340	5,674
Total loans	711,142	729,581
Deferred loan costs, net	1,199	1,466
Allowance for loan losses	(9,890)	(9,124)
Net loans	702,451	721,923
Premises and equipment	14,379	14,950
Deferred tax asset, net	6,046	5,284
Other real estate owned	155	255
Goodwill and other intangible assets	3,341	3,389
Bank-owned life insurance	26,061	25,428
Other assets	7,443	9,378
Total assets	\$884,737	\$906,667
Liabilities and capital		
Deposits:		
Non-interest-bearing	\$113,894	\$122,545
Interest-bearing	548,275	509,336
Total deposits	662,169	631,881
Federal Home Loan Bank borrowings	102,300	161,000
Subordinated debt	20,620	20,620
Other liabilities	20,682	19,260
Total liabilities	805,771	832,761
Total capital	78,966	73,906
Total liabilities and capital	\$884,737	\$906,667