

Annual Report

December 31, 2017



Haverhill Bank



Haverhill Bank
Just One Bank



Thomas L. Mortimer
President and Chief Executive Officer

A letter from Haverhill Bank President Thomas L. Mortimer

Dear Fellow Depositors,

Haverhill Bank continued to experience growth and remained a financially strong community bank. The Bank reported 6.25% in asset growth or \$22.9 million rising to \$390 million. The bank reported loan growth of 5.42% to \$285.7 million while deposits increased 7.5% or \$23.3 million to \$336.2 million. The Bank's capital increased by \$2 million to \$40 million providing a sound foundation for the Bank.

In 2017, attention was placed on enhancing the Bank's technology offerings. In January, we launched our new website which featured a responsive and more intuitive design, making the website experience consistent across all devices and easier to navigate. In July, our Online Bill Pay system underwent a conversion which delivered more options for users who pay their bills online including later cutoff times, the ability to send rush payments and flexible scheduling options. Online Banking users enjoyed a better end-user experience with the December launch of Chameleon, a new online banking theme offering customizable designs and simpler navigation. December also marked the launch of My Mobile Money, a mobile app that allows for greater debit card security through the use of card controls and alerts.

I am extremely proud to say that in 2017, Haverhill Bank re-invested over \$250,000 back into the communities it serves by supporting local non-profit organizations and charities. In addition to financial contributions, employees donated close to 2,000 hours of their time to serve on the boards of these organizations and volunteer at community events and fundraisers. Our commitment to community is the foundation on which Haverhill Bank is built and we take great pride in serving the cities and towns in which we live and work.

On behalf of all the staff at Haverhill Bank, I would like to thank our customers for their ongoing patronage and trust. I look forward to our continued partnership in 2018.



Thomas L. Mortimer
President and Chief Executive Officer

Haverhill Bank Statement of Condition

Assets

Cash and Due from Banks

Securities

Loans (net)

Premises and Fixed Assets

Other Assets

Total Assets

Liabilities

Deposits

Other Borrowed Money

Other Liabilities

Total Liabilities

Surplus

Accumulated Other Comprehensive Income

Total Equity Capital

Total Liabilities and Equity Capital

December 31, 2017

Published in accordance with provision of
General Laws Chapter 170, Section 18.

December 31, 2017

December 31, 2016

\$27,291,986

\$18,499,106

\$56,225,528

56,195,468

\$285,723,241

271,105,143

\$7,091,917

7,399,842

\$14,351,413

14,613,250

\$390,684,085

\$367,812,809

December 31, 2017

December 31, 2016

\$336,234,247

\$312,812,222

\$12,354,443

15,415,445

\$1,996,907

1,529,706

\$350,585,596

\$329,757,373

\$39,654,056

38,245,520

444,433

(190,084)

\$40,098,489

\$38,055,436

\$390,684,085

\$367,812,809

Commitment to Community

Haverhill Bank is built upon the foundation of the community banking model. In addition to local decision-making and servicing and the hiring of local individuals, the model's mission is to aid in the development and well-being of the communities we serve.

The Bank regularly supports local services and organizations through charitable giving, donating over \$250,000 to area non-profits in 2017. In addition to financial contributions on behalf of the Bank, employees donate countless hours to volunteerism, service club membership and sharing their expertise as board members of local non-profits.

A few of our many activities include:



Jim Henebry, Commercial Loan Officer and Tommy Faulkner, Vice President/Mortgage Originator make their annual pilgrimage to Tuckerman's Ravine in support of Lucy's Love Bus. Each year, the duo hike and ski down the mountain to raise funds for the organization, which benefits pediatric cancer patients.



Harry Korslund III, Senior Vice President/Senior Commercial Loan Officer, spends time in the Haverhill Bank-sponsored dunk tank at the city's Relay for Life, which supports the American Cancer Society.

Financial Literacy Programs



Haverhill Bank staff discuss budgeting and savings with Haverhill High School students.

Each year, Haverhill Bank partners with Haverhill High School to present the Credit for Life Fair for students enrolled in the school's Financial Literacy Program. The Fair, in its fourth year, simulates real-life budgeting scenarios and is run by HHS teachers, Haverhill Bank staff and other local

business professionals who donate their time and expertise to promoting financial literacy.

Community Holiday Events

Haverhill Bank sponsors various annual holiday events such as the VFW Post 29 Santa Parade in Haverhill; Merrimac Santa Parade; Salem, N.H. Santa Parade; and the Greater Haverhill Chamber of Commerce's Christmas Stroll, to name a few. Employees and their families come together for these events to celebrate the season and give back to the communities they serve.



Merrimac Santa Parade



Greater Haverhill Chamber of Commerce Christmas Stroll



Haverhill Bank employees take a break from building the Bank's float for the VFW Post 29 Santa Parade. Every year the Bank sponsors, designs and marches with the float that brings Santa into town. (Jay's Photography Studio)

Employee Activities Committee

In addition to Haverhill Bank-sponsored events and charitable donations, employees volunteer their time and money to local organizations throughout the year by participating in the bank's Activities Committee. The Activities Committee promotes a monthly "jeans day," in which employees may pay a small fee to dress down in support of local non-profit organizations like Our Neighbor's Table, Anchor of Hope Diaper Bank and Ozzie's Kids.

Officers

Thomas L. Mortimer.....	President, CEO
Harry J. Korslund, III	Senior Vice President, Senior Commercial Loan Officer
John Patriakeas	Senior Vice President, Chief Compliance Officer
John P. Teoli	Senior Vice President, Senior Lender
Charlette M. Weeden..	Senior Vice President, CFO, Treasurer
Lise T. Zapatka	Senior Vice President, Information Technology, Operations, Marketing, Retail
Duncan O. Clark.....	Vice President Branch Manager
Erin M. Daley.....	Vice President, Mortgage Specialist
Thomas O. Faulkner	Vice President, Mortgage Originator
Paul M. Frank.....	Vice President, Branch Manager
A. Richard Hanlon	Vice President, Commercial Lending
Denise M. Joslin	Vice President, Human Resources, Board Secretary
Matthew J. Martin.....	Vice President, Branch Administration
Janet F. Odenwelder.....	Vice President, Mortgage Originator
Kelly C. Quevillon.....	Vice President, Operations
Maureen M. Stillwell	Vice President, Commercial Loan Officer
Stanley R. Ward.....	Vice President, Loan Servicing
Deven M. Robinson.....	Assistant Vice President, Executive Administration Officer
Dorothy R. Tully	Assistant Vice President, Senior Underwriter
Melissa J. Cerasuolo	Business Development Officer
James P. Henebry	Commercial Loan Officer
Sherry L. Temple Pruyn	Mortgage Officer, Originator
Ana P. Gonzalez.....	Branch Manager
Joshua P. Sanchez.....	Branch Manager
Patricia A. St. Cyr	Branch Manager
Donna J. Talarico.....	Branch Manager

Board of Directors

Thomas R. Faulkner, Chairman of the Board

Paul M. Accardi

Joseph J. Bevilacqua

Stuart B. Davis

Duncan C. Farmer

Thomas L. Mortimer

Christos S. Papaefthemiou

William J. Barron, Esq.

Mary E. Carrington

William S. Faraci, Esq.

Dana A. Fields

Kristin M. Murphy

Richard J. Sheehan, Jr., Esq.

Security Committee

Paul M. Accardi

William S. Faraci

Thomas R. Faulkner

Thomas L. Mortimer

Christos S. Papaefthemiou

Audit Committee

William J. Barron

Joseph J. Bevilacqua

Mary E. Carrington

Stuart B. Davis

Dana A. Fields

Richard J. Sheehan, Jr.

Corporate Governance

Committee

William J. Barron

Mary E. Carrington

William S. Faraci

Thomas R. Faulkner

Richard J. Sheehan, Jr.

Finance Committee

Paul M. Accardi

Stuart B. Davis

Duncan C. Farmer

Kristin M. Murphy

Christos S. Papaefthemiou

Branch Locations

Main Office

180 Merrimack Street
Haverhill, MA 01830

Bradford Branch

163 South Main Street
Bradford, MA 01835

Rosemont Branch

1094 Main Street
Haverhill, MA 01830

Merrimac Branch

6 West Main Street
Merrimac, MA 01860

Salem Branch

396 Main Street
Salem, NH 03079

West Newbury Branch

281 Main Street
West Newbury, MA 01985

Haverhill High School

137 Monument Street
Haverhill, MA 01832

Whittier Regional Vocational

Technical High School

115 Amesbury Line Road
Haverhill, MA 01830

Federal Deposit Insurance Corporation

Federal Home Loan Bank

Federal Reserve Bank of Boston

Massachusetts Bankers Association

New England Automated Clearing House

Independent Community Bankers of America

The Co-operative Central Bank Share Insurance Fund

