



IT'S ALL ABOUT YOU

2011 ANNUAL REPORT



North 
Brookfield
SAVINGS BANK

IT'S ALL ABOUT...



You and Your Family...



You and Your Community...



You and Your Business...



You and Your Bank...





A LETTER FROM THE PRESIDENT

To Our Valued Customers and Community Members,

North Brookfield Savings Bank completed its 157th year of successful financial results in 2011 and for the 68th consecutive quarter, received BauerFinancial's 5-Star Superior rating for asset quality, capital adequacy and financial stability. Fewer than 10% of the nation's banks have achieved this distinction.

The Bank continues to grow and welcomed many new customers in 2011. At North Brookfield Savings Bank, we have a dedicated team of professionals that strive to provide each customer with sound financial advice and solutions. We have stayed true to our original philosophy of responding to the economic and social needs of our customers and community.

In 2011, the expansion into commercial lending resulted in increased loan growth and we expect that to continue in 2012. The pace of residential lending also increased as we were able to offer very competitive interest rates, quick responses and superior service. We provide flexible solutions combined with local decision making for both business and personal loans.

Throughout this Annual Report you will see highlights of you, our customers, the businesses so vital to the economic success of the community, and the community events that our employees so generously donated their time to. North Brookfield Savings Bank makes a difference not only through the banking services that we offer, but also through charitable giving, corporate sponsorships, and volunteerism.

We are all about you and only about you. We appreciate the trust and loyalty you have shown us and strive to ensure that your experience with the Bank is a positive one and that the services we provide are competitive and appropriate for you.

I thank the Board of Trustees, the management team and all the North Brookfield Savings Bank employees for their efforts in making 2011 a success.

Sincerely,

A handwritten signature in black ink that reads "Donna L. Boulanger". The signature is written in a cursive, flowing style.

Donna L. Boulanger
President & Chief Executive Officer

IT'S ALL ABOUT MAKING IT HAPPEN...



Warren Izyk, Belchertown Assistant Branch Manager, enjoys helping long-time customer Christopher Hall.



Neil Davidson stands proudly by his new truck, financed by NBSB.



Jack Lawlor, Gilbert Street Branch Manager, presents the Food Drive drawing basket to winner Lisa Grace. Thank you to all of our customers who donated items and helped us to contribute to those in need within our communities.



Pamela Weeks, Belchertown Branch Manager, presents Hannah Aponte with a scholarship check from NBSB. Hannah is a graduate of Belchertown High School and is currently enrolled at Brown University with a concentration in Neuroscience and playing softball. Congratulations, Hannah!



Zebulon Glidden, shown with his daughter Meaghan, is able to make his gardening dreams come true with his John Deere tractor! Financing by NBSB.



Padgett and Paige Berthiaume took advantage of ultra-low NBSB mortgage rates by refinancing in 2011. They are shown with their children Colby and Reese and their dog, Hurley.



Richard W. Chenevert Sr. is the happy winner of the Vacation Club promotion gift basket at the West Brookfield Branch. With a vacation savings plan and a picnic cooler, think of the vacation possibilities!



**Our goal is to help you
make it happen,
whatever "it" is for YOU!**

We're here to help you with everything from managing your everyday banking needs to reaching life's biggest financial milestones – like buying your first home, financing your business, and saving money for your child's education and your retirement.

Ellen Barkoskie and her brother, Lucas, enjoy making deposits into their savings accounts and seeing their money grow. Their mom, Lisa, looks on as Gilbert Street Branch Manager Jack Lawlor helps to count and deposit the funds.

IT'S ALL ABOUT YOU AND YOUR BUSINESS...



Tony Piermarini, VP and Senior Commercial Loan Officer with Patti Cuddy, Betsy Cuddy, and Heidi Hunderup of Cuddy Insurance, North Brookfield.



Stephen Quink, VP and Commercial Loan Officer with Siobhan Verneau of McCarthy's Pub, Belchertown.



Cassandra Clough and Rafael Guzman, owners and chefs of Two Chefs in Spencer with Tony Piermarini, VP and Senior Commercial Loan Officer.

You work hard
to make your
business a success.
So should your bank.



Gavitt Wire
West Brookfield, MA

Gavitt Wire, a successful, family owned and operated business, has an 80 + year history of meeting the changing needs of their customers. From its beginning as a manufacturer of shoestrings and buggy whips Gavitt Wire has evolved into a company known for innovation and custom made high-quality wire products. These wire products are used in many diverse industries including Medical Equipment, Avionics, Fire Protective Services, High-End Audio, Control and Instrumentation, Marine, Consumer, and Entertainment industries.

Gavitt Wire continues to be vital to the success of the local economy. Senior management has a total of over 125 years with the company and production employees average in excess of 15 years seniority.

Harold Chesson has been associated with North Brookfield Savings Bank for over 31 years as a Corporator, Trustee and now as an Honorary Trustee. We are grateful for his commitment and ongoing support of the Bank.



Stephen Quink, VP and Commercial Loan Officer with Dave Rogers and Mike Donahue of Precise Technologies, Belchertown.



Nancy Salem of Salem Cross Inn in West Brookfield with Stephen Quink, VP and Commercial Loan Officer.



Colorful spools of wire manufactured by Gavitt Wire are stacked before they are packaged and shipped.



Rick Egan, AVP and Commercial Loan Officer with Jeff Spencer of Edward H. Spencer Chrysler in Warren, MA.



Pictured from left to right: Donna Boulanger, President and CEO, Lisa Baker, Tom Baker, and Harold Chesson, of Gavitt Wire and Tony Piermarini, VP and Senior Commercial Loan Officer.



IT'S ALL ABOUT COMMUNITY...



NBSB made a generous donation to help restore the North Brookfield historic town clock. Shown from left to right are clock builder Jeff Samuelson, NBSB President & CEO Donna Boulanger, Board of Selectmen Chair Mary Walter, and NBSB Chairman of the Board John "Buddy" Lane.



NBSB's "Cancer Crushers" team, led by Peggy Carr (bottom left), joined together to fight cancer by raising funds and walking in the 2011 Walk of Champions fundraiser to benefit cancer services at Baystate Mary Lane Hospital.



NBSB was proud to sponsor and volunteer at the Quaboag Valley Survivors Dinner at the Relay for Life benefiting the American Cancer Society. Shown from left to right are Pam Weeks, David Golden, Peggy Carr, and Ginny and Karl Jensen.

We are committed to giving back and supporting our local communities.



Camp Putnam
New Braintree, MA

In 2011, North Brookfield Savings Bank launched an "I ♥ Camp Putnam" fundraising campaign to raise money to adopt a lodge to restore. Through the efforts of the North Brookfield Savings Bank employees and customers, the Bank exceeded its goal. By raising \$3,647, the Bank was able to adopt both a lodge and a cabin!

Camp Putnam, located on 150 acres of fields and forest in rural New Braintree, has been serving the children of the Greater Worcester Area for over 60 years. Camp Putnam provides a safe, healthy, residential summer camping experience that is affordable for all families, regardless of income.

Camp Putnam is a camp in the truest sense of the word; a place where kids and staff interact with nature all day, each and every day.

The 2011 Annual Toy Drive held at all branches was a huge success thanks to the generosity of our customers and employees along with a matching donation from NBSB. Shown are members of the Belchertown Fire Department collecting toys for distribution to local families, along with Pam Weeks of NBSB.



Customer Appreciation Day! Ready to give out roses to customers, are Renee Jurczyk, Caitlin Burns, Beth Carter, and Rosie Bruso. The roses were purchased through the Shirley Batsie Memorial Rose Sale, which benefits cancer services at Baystate Mary Lane Hospital. The Bank also hosted and staffed a rose sale site outside of its North Brookfield Branch.



NBSB Accounting Department wins the Camp Putnam Dress-Down Team Challenge. Seated: Patricia Sherman. Standing from left to right: Amy Moulton, Amanda Hart, Laurie Wisniewski, and Sharon Martel.



Peggy Carr and Stephen Quink volunteered at the CMS Chamber's Tornado Relief booth at the Brimfield Antique Show. NBSB also created a Tornado Relief Loan Program to assist area residents and businesses to repair, rebuild, and recover from damage caused by the June 1st tornado.



Amanda Hart, Sharon Martel and Pam Patenaude greet visitors to the NBSB booth at the Belchertown Fair while having fun and staying out of the rain.

Kirk Burnham, Stephen Quink, Tony Piermarini, and Jack Lawlor of North Brookfield Savings Bank help restore a cabin as part of the "I ♥ Camp Putnam" along with Camp Putnam Executive Director Todd Stewart.



IT'S ALL ABOUT GROWTH...

CONSOLIDATED BALANCE SHEET

<u>DECEMBER 31</u>	<u>2011</u>	<u>2010</u>
ASSETS		
Cash and Due from Bank	10,863,553	17,138,192
Investment Securities		
Available for sale, at fair value	20,556,000	21,006,000
Held to maturity, at amortized cost	52,072,000	37,692,000
Real Estate Loans	86,213,245	90,626,413
Commercial Loans	12,085,297	9,637,233
Consumer Loans	2,402,847	2,968,597
Banking Premises & Equipment	4,407,820	4,545,211
Federal Home Loan Bank Stock	509,300	509,300
Federal Reserve Bank Stock	509,050	0
Other Assets	58,926,244	7,627,931
TOTAL ASSETS	198,545,356	191,750,877
LIABILITIES		
Savings and Term Deposits	134,705,504	133,040,068
Checking, NOW and Demand Deposits	32,960,819	30,343,287
Mortgagors' Escrow Accounts	381,491	383,646
FHLB Advances	0	0
Other Liabilities	4,048,989	2,596,146
TOTAL LIABILITIES	172,096,803	166,363,147
SURPLUS		
Retained Earnings	27,056,219	25,840,481
Unrealized (Losses) Gains on Securities, Net of Tax Effect	(36,614)	(216,851)
Accumulated Other Comp Income	(571,052)	(235,900)
TOTAL EQUITY CAPITAL	26,448,553	25,387,730
TOTAL LIABILITIES AND EQUITY CAPITAL	198,545,356	191,750,877

TRUSTEES, CORPORATORS, OFFICERS AND EMPLOYEES

TRUSTEES

Chairman

John J. Lane
Thomas C. Baker, III
Blaise P. Berthiaume

President & CEO

Donna L. Boulanger
Roland A. Gauthier
Stephen H. Howe
Sara Hunt
Gregory C. Kline
John R.A. Lofgren
Elizabeth A. Martinelli
Robert E. Pillsbury
Lloyd A. Rice
Jeffrey A. Spencer

Clerk of the Corporation

Alan R. Varnum

Honorary Trustees

Arthur Allen, Jr.
Hudson R. Bennett
Harold R. Chesson, Jr.
Louis A. Petruzzi, Jr.

CORPORATORS

Trustees and the following:

Mark H. Adams
Richard W. Barnes
Matthew C. Benvenuti
Matthew G. Benvenuti
Damien D. Berthiaume
Robert E. Bishop
Roger J. Charpentier, Jr.
Agnes M. Davis
Louis B. Grace
Wayne A. Granat
Richard F. Greene
William D. Herrick
Brenda L. Howland
Robert E. Hunt
Joseph J. Jannette
June F. Klem
John D. Krusell
Robert A. LaFlamme
Andrew J. Leach, Sr.
Ernest A. Messier, Jr.
John J. Milks
Scott W. Norrie
William L. Parsons
Edward G. Reed
Nancy J. Salem
David E. Snay
James L. St. Amand
Michael J. Toomey
Richard W. Varney
Maureen R. Wesolaski
Louise W. Woodard

OFFICERS

President & CEO

Donna L. Boulanger

Senior Vice Presidents

Margaret I. Carr
Patricia H. Sherman

Vice Presidents

Kirk P. Burnham
Anthony J. Piermarini
Stephen M. Quink
Donna M. Tiso

Assistant Vice Presidents

Richard Egan, II
Erica M. Floyd
Pamela A. Patenaude

Assistant Treasurer

Laurie A. Wisniewski

EMPLOYEES

Holly Aitchison
Tina Allen
Mary Antinovitch
Chris Barnes
Diane Basile
Judith Bearse
Jennifer Berthiaume
Rosemary Bruso
Caitlin Burns
Lillian Carlson
Elizabeth Carter
Ashley Dubrino
Audra Farrington
Courtney Fitzmaurice
Gary Gauthier
Adam Gillette
David Golden
Eileen Graham
Tammy Gustafson
Amanda Hart
Kathleen Higgins
Warren Izyk
Darlene Jarnagan
Virginia Jensen
Renee Jurczyk
Pamela Kozlik
Lisa Kularski
Laurie Lacaire
Tonya Laird
Jack Lawlor
Andrew Leighton
Yvonne Little
Sharon Martel
Raymond McKay
Nathan Meaux
Amy Moulton
Ellen Mulherin
Kristina Murphy
Caitlin O'Connor
Gabrielle Olds
Deborah Paulhus
Stephanie Skaza
Paula St. John
Joanne Thompson
Jean Varley
Pamela Weeks



HISTORY

North Brookfield Savings Bank was founded in 1854 as a mutual savings institution. Our founders were citizens and business leaders who joined together to create an organization that benefits its customers and the community, not a select group of stockholders.

The profits of a mutual institution are used to build its financial strength, improve products and services for its customers, and reinvest in the community where it does business. Because we are owned by our depositors rather than stockholders, our attention is focused on long-term benefits to those we serve – a focus that has earned North Brookfield Savings Bank a well-deserved reputation for exceptional customer service.

Safe, Solid, and Secure.

Since 1854 and for generations to come.

BRANCH LOCATIONS

Main Office

9 Gilbert Street
North Brookfield, MA 01535
508-867-7442
Toll Free 1-866-711-NBSB(6272)

West Brookfield Branch

128 West Main Street
West Brookfield, MA 01585
508-867-5821

Palmer Branch

1051 Thorndike Street
Palmer, MA 01069
413-283-4008

Belchertown Branch

4 Daniel Shays Highway
Belchertown, MA 01007
413-323-8416

Corporate Headquarters & Loan Center

35 Summer Street
North Brookfield, MA 01535
Loan Center: 508-867-1302
Corporate Offices: 508-867-7442

www.banknbsb.com

1-866-711-NBSB

