



Breaking Ground & Expanding Boundaries

Avidia Bank

Avidia Bank's state-of-the-art location in Framingham, MA.

Our Mission

Avidia Bank is a locally controlled and operated mutual community bank providing modern banking and financial services to individuals, families and businesses primarily in our local community.

We take pride in delivering highly responsive services and an excellent value to our customers while instilling confidence and trust in Avidia to be their primary financial institution.

The Bank invests in developing and supporting our employees and positioning our organization to be highly competitive and being a responsible citizen and strong business partner.



From our President

Our success this past year would not be possible without the hard work and dedication of our employees, officers and Board of Directors.



of the market share we hold in our local market area and are especially proud of the tremendous growth we have seen in Health Savings Accounts, with over 120,000 accounts and \$200 million in deposits, an **increase of over 50% from 2016**.

We also experienced significant growth in our deposit and lending relationships with small businesses, which are integral to the success and strength of our local communities. Our experienced **team of knowledgeable and accessible commercial bankers** has helped us earn the trust of a wide range of businesses, including many in specialty areas, such as dental practices and condominium associations.

To deepen relationships with our customers and make banking more convenient, we made investments in infrastructure, including the development of the new, **full-service Financial Center**. The Center, located in the property we own at 17 Pope Street in Hudson, now houses our growing residential lending team and investment services team. In addition, it offers customers access to a full-service retail banking team.

In 2017, we also expanded our footprint with the opening of a new and **forward-thinking branch in Framingham**. The new branch is fundamental to the Bank's strategy to expand our footprint east into a geographic area rich with businesses and prospective customers. Additionally, our move to Framingham allows us to serve our current

The year 2017 was one of significant milestones – and successes – for Avidia Bank. We celebrated the 10-year anniversary of the merger between Hudson Savings Bank and Westborough Bank to form Avidia, a name derived from the word “avid.” In 2017, we were proud to live up to our name with our **avid commitment** to helping individuals, families, businesses and our local communities prosper.

In 2017, we experienced a **year of record financial performance**. This was fueled by the momentum from 2016 and our ongoing commitment to finding new ways to anticipate and meet the demands of our customers and increase our efficiencies. Our assets, which were approximately \$900 million when we merged in 2007, topped \$1.5 billion at year-end 2017, and our net income **reached \$8.8 million** after a one-time charge of \$1.6 million at the end of 2017 to reflect the new tax law's impact on our earnings.

Though the Bank continued to achieve solid growth in our commercial lending portfolio, we also experienced strong deposit growth – a daunting challenge for any financial institution in today's competitive banking landscape. We are proud

customers who reside and work there.

Avidia has always understood that to effectively **meet the ever-changing needs of our customers** – and outpace our competition – we have to leverage the power of technology. Our Financial Center and Framingham branch reflect this commitment, **offering access to the latest technology** from which visitors can easily connect with their money and learn more about our products and services.

Additionally, to put the power to manage their money in our customers' hands, we released upgrades to our Mobile Banking technology. We were **the first bank in the country** to offer a mobile banking app that integrates with PayPal. This allows customers to link their debit card to PayPal, providing them with a faster, easier purchasing experience.

In addition to building infrastructure and technology, we **expanded on our commitment to giving back** through the Avidia Charitable Foundation. In 2017, we awarded a record amount – nearly \$200,000 – to a variety of non-profit organizations. Through our charitable endeavors and our commitment to building businesses, Avidia

was proud to do our part to build stronger communities for us all.

Our success this past year would not be possible without the hard work and dedication of our employees, officers and Board of Directors. I know this commitment **extends well beyond the walls of the bank** and into the communities we serve.

As we move forward in 2018, we have reason to be very optimistic. We will prepare for another significant milestone in 2019 – **the 150-year anniversary** of the inception of our founding banks, Hudson Savings Bank and Westborough Bank. We also expect that tax law changes will provide additional resources for us to do what our mutual charter frees us to do – to invest in technology and solutions to serve our **customers and communities** for decades to come.

Best regards,

Mark R. O'Connell
Mark R. O'Connell
President and CEO

Remembering a leader in business and in the community.



"If your actions inspire others to dream more, learn more, do more and become more, you are a leader." -- John Quincy Adams

Leadership. Commitment. Service. They are among the qualities that have led to Avidia Bank's success. They also define the qualities of one of our greatest leaders, David Lamson. A former Chairman of the Board of Avidia Bank, President of Hudson Savings Bank and successful businessman, David passed away on January 22, 2018 at the age of 93. His legacy in helping shape Avidia Bank's success, however, will live on forever.

David was the proud owner of R.S. Lamson & Sons lumber company, a business built by his grandfather, which David grew significantly through the years. He served in World War II and was a proud and active member of the Hudson Rotary Club, the Hudson Planning Board and the Hudson Elks.

"Dave Lamson was an integral part of Avidia Bank's success. His dedication to the community and his experience as a successful businessman have been instrumental in our growth and success. He will be sorely missed," said Mark O'Connell, Avidia President and CEO.

In 2018, to honor Dave Lamson's legacy of service, Avidia Bank has created a scholarship in his name.



Our Executive Team



Pictured L-R
Mark O'Connell, President & CEO
Margaret Sullivan, EVP & CFO
Gerry Curley, EVP
Bob Conery, EVP Operations
Bart Murphy, EVP & Chief Lending Officer.



Celebrating 10 Years!

In 2007, when Avidia Bank was formed by the union of Hudson Savings Bank and Westborough Bank, we furthered our commitment to serving local people. So it was fitting that when we celebrated our 10th anniversary in 2017, we would want to celebrate with our friends and neighbors in the cities and towns we serve.

As part of the anniversary events, each Avidia branch held a month-long celebration during January through October (the anniversary month). Customers and members of the community were invited to come in and join us for refreshments and food from local restaurants.

We also created a logo and tagline, "Your Story. Our Story," and invited customers and employees to share their Avidia success stories. The celebrations shared in person and on social media also provided an opportune time for us to thank our valued employees who have been such an important part of Avidia's success over the past decade.



As part of the celebration, our employees proudly wore anniversary t-shirts every Friday and Saturday during their month of celebration. (Northborough team pictured above.)



Join us Thursday 3/30/17 in the afternoon for some treats from:

LE FORNO
Restaurant & Catering

Leominster
470 Lancas



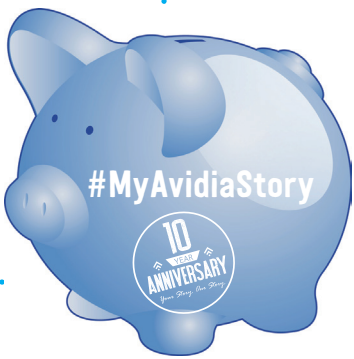
10 Year Anniversary
Your Story. Our Story.

6.15.17
Ice Cream Celebration
100 E. Main St.
Westborough

10-year branding was added to social posts and in-branch materials.



Back-office employees celebrated our 10-year anniversary during the month of August by holding department lunches and activities.



#MyAvidiaStory

Social media signs were used at community events and throughout the branches to help spread our celebration via social media.



Branch teams looked to local restaurants to provide refreshments for our customers!



Social Media



651,000
Impressions on Facebook
(aka: how many people viewed what we posted.)

Customer relationships saved using Social Media

26





3.8%
Followers engaged with our social posts
(Industry Average: 1%)

179

Avidia employees have engaged with the Bank's social media by sharing posts, events and stories about #avidialife



2017 Follower Stats:

Facebook.....	1,370
Twitter.....	1,714
Instagram.....	736
LinkedIn.....	1,638

Mobile Banking Activity


4,876 active users
5,003 devices



iPhone: 3,434
Android: 1,248
iPad: 321


Overview Remote Deposit

49,088 mobile deposits
\$51,780,150 deposited from mobile devices



People Cardless Cash

33,563 transactions
\$3,072,979 sent/claimed



2,234 withdrawals
\$271,680 withdrawn

Building on the way we serve in Hudson and Framingham



Forward Thinking. Community Driven.



Avidia Bank understands that to remain financially sound and independent to support our customers and communities for years to come, we must find new ways to grow. In 2017, we were proud to open two locations to help us build new relationships for tomorrow and better serve our customers today.

How do you develop stronger, more personal relationships with

your customers while giving them the power to manage money electronically? You build an innovative solution - a new full-service Financial Center. Opened in February 2017, the Center, developed from the property at 17 Pope Street in Hudson, melds the best in personal service and technology.

Visitors can access full-service banking, including a drive-up teller and ATM, as well

as one-on-one guidance from investment and lending professionals – all under one roof. Occupying the first floor of the Center is Avidia's growing residential lending group, which represents our strong commitment to home financing.

Where can you go to reach new customers and make banking more convenient for existing ones? For Avidia, the answer was eastward to Framingham

– where we opened our new branch in September 2017 located at 270 Cochituate Road.

The new branch is part of our strategic plan to extend Avidia's footprint in the MetroWest area, where there is strong business and population growth. Like the Financial Center in Hudson, the new branch features full-service banking, including touch-screen, tech center, and cash recycling technology.

Our new Financial Center and Framingham locations reflect Avidia's commitment to the community. In addition to fabric wall art featuring local businesses, both locations offer conference space, where community groups can gather for meetings and other events.

The Center is also where technology and personal service come together. Visitors can

use touch-screen televisions and tablets to learn more about Avidia's products and services, as well as to test drive Mobile Banking features. In addition, cash recycling technology improves the customer experience, while increasing branch efficiency.

Residential Lending

Compared to our closed loan volume in 2016, we realized a 10% decline in total volume for first mortgage closed loans in 2017. Several factors contributed to the shortfall including slightly rising interest rates, especially toward the end of the year, as well as an overall decrease in refinance opportunities as many, who could have refinanced, had already done so. In addition, inventory of homes listed for sale in most of Massachusetts remained low as demand for housing continued to outpace supply.

However, from an industry perspective, our results, on average, decreased at a lesser rate than that of many of our competitors. The reason Avidia Bank saw a smaller decrease versus competitors was due mainly to its commitment to common sense underwriting and lending through its portfolio loan program.

Additionally, our Loan Officers worked hard to properly advise and pre-qualify prospective buyers and our back office staff utilized their skills and knowledge to efficiently process and close mortgage loans and HELOC's in a timely fashion.

Even with interest rate increases likely continuing into 2018 and the shortage of properties for sale showing little in the way of loosening its grip on the housing market, we remain well positioned to make lending decisions based on prudent underwriting standards and able to continue to serve each community's residential lending needs.



The Avidia Bank Residential Lending Team.

Purchase



235 Loans
\$65,646,290

Refinance



216 Loans
\$60,250,320

Construction



22 Loans
\$9,943,200

Home Equity



212 Loans
\$21,587,205

Total

685 Loans
\$157,427,015

Avidia has always strived to give our customers the power to manage their money when they want, where they want. It is why we were proud to be one of the first adopters of digital banking technology and why we continually invest in solutions to increase efficiencies, stay ahead of our competitors and give our customers the ability to connect with more of their money. We were proud to showcase our leadership in digital technology at the 2016 Finovate Fall conference in New York, where we unveiled our new Mobile Banking interface - Avidia Mobile 4.0. The new design, introduced in April 2017 within the Avidia Mobile app, features a fresher look and easier-to-navigate menus.

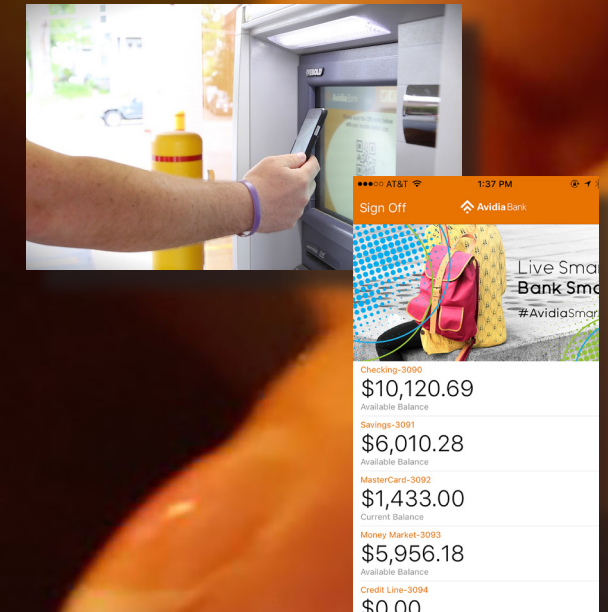
We were also proud to be the first bank to partner with PayPal to offer integration with our mobile app. This feature enables our customers to link their Avidia cards with their PayPal accounts for more convenient purchasing – wherever PayPal is accepted.

Our progressive mobile platform will provide a strong foundation on which we can build for years to come. In 2018, we will introduce self-service features, including card control technology, which allows users to place instant card holds on lost/stolen cards. In addition, our Mobile app will be fully integrated with ApplePay, providing one-touch purchasing convenience.

Avidia's investment in digital banking technology is just one of the many ways we are dedicated to connecting with our customers, when and where they need us.



Avidia Tech



Commercial Banking

Financing current and long-term assets

Our ability to finance current and long-term assets continues to show no signs of slowing in 2017. The Bank's commercial loan growth of 15% or \$108 million has its basis in \$293 million in new commercial loan originations that can be attributed to our diverse commercial banking initiatives. As of December 31, we had a total loan portfolio at \$1.193 billion, which is an increase of 8.26% over 2016.

Overall deposit growth was driven primarily by MMDA and DDA increases on the Commercial side of the house. We ended 2017 with \$399 million in commercial deposits, which was a 22% increase over 2016.

SBA Loans – Avidia top community bank in market area

According to a December 2017 Boston Business Journal report, Avidia was a top community bank in Massachusetts for 7(a) lending. Avidia Bank ranked 7th in the state in dollar amount and 1st for banks based west of route 128. In 2017, we closed 34 SBA loans for \$17 million versus 2016, which yielded 32 loans for \$16.8 million.

To begin the year, Avidia was named SBA's Lender of the Quarter. As an SBA designated Preferred Lenders Program (PLP) lender, the Bank can provide local small businesses quicker access to funds to start, expand or acquire a business, allowing us to play an integral part in the business' journey.

Bob Nelson, SBA MA District Director and New England Regional Administrator, stated, "We are honored to present Avidia Bank with our Massachusetts Lender of the Quarter Award to recognize fantastic loan production during the 1st Quarter of 2017. Small businesses are critical to job creation and economic health and vitality; congratulations to Avidia Bank for helping to deliver here in the Commonwealth."

Working capital funding for growing companies

In 2017, our Business Manager program (Accounts Receivable Financing) funded customers with more than \$41 million, which bridged the cash flow gap between when services are invoiced and when payments are collected.

The Business Manager program enabled our customers using the facility to increase revenues up to 5 times their normal rate and increase profits by an even larger margin. Business Manager is responsible for millions of dollars in increased revenue and profits to our customer base.

The funds generated through this program allowed our customers to expedite their growth in a way that no other product would have permitted and assisted them with meeting their growth objectives, which includes adding jobs in our local communities.

Payment platform "AvidiaPay" to automate collections

Avidia Bank offers real-time merchant account approvals as underwriting and boarding automation sets Avidia Bank apart as a card sponsor ultimately helping us level the playing field with larger competitors all while meeting the rapid technology changes in the financial industry. The market for this solution is every bank and credit union that does not have the capacity to build solutions in-house.

We support the real-time delivery of merchant accounts on the Bank Centric Payments platform along with fully integrated payment solutions that meld credit card to real-time and same-day ACH payments. The Bank can offer payments resellers a paperless, real-time process to register, underwrite and board clients for card processing and additional payment services. A key part of that process is that we now have a higher and more effective ability to monitor and manage the initial and ongoing risk of our portfolio.

The underwriting and boarding process used to take days at best, but we have integrated technology that does it in real-time, which has greatly improved the reseller and client experience and can go a long way to narrow the gap between us and the largest sponsor banks.

Our forward-thinking strategy continues to be recognized and awarded, most recently in the form of Avidia Bank receiving the NEACH Excellence Award for the AvidiaPay business payment platform. The NEACH Excellence Award was presented in November at the NEACH 2017 Big East Banking Conference.

Principal member of credit card brands

Avidia is a principal member of credit card brands for acquisition and issuance. This is especially meaningful because owning and issuing a credit card allows us to create partnerships as we have with Payvus (Aliaswire). This provides the merchant use of their credit card with Avidia Bank as a depository account and each customer transaction is processed at the merchant's shop and then will post to the credit card account. In addition, the merchant can utilize their card as a typical credit card for business expenses.

Cash management for collection and disbursement of funds

In 2017, the Cash Management team assisted hundreds of new and existing businesses with better managing their respective finances with tailor-made solutions.

Our account management tools provide our business customers up-to-the-minute information necessary to add efficiency to their day-to-day account management duties while also assisting in detection and prevention of check and ACH fraud. eDeposit, one of Avidia's collection tools, allows businesses to scan checks 24/7 to make a deposit, even using their mobile device. Disbursement services help to control the delivery of payments by sending them electronically using ACH, wires or electronic bill payments. Our "hands-on" support and guidance provide the "Avidia difference."

Avidia Volunteer Profile

Margaret Sullivan - EVP & CFO



I'm passionate about making positive changes that can be life-impacting.



What organization(s) do you volunteer for?

Big Brothers Big Sisters of Central MA/Metrowest for the past 5 years. In the past, I've also worked with the American Cancer Society's Relay For Life, the United Way, St. Michael Schools and Parish, ADA Committee of Hudson and many others.

What is your primary role?

First and foremost, I am a Big Sister to Paige, a sweet 14 year old. About four years ago, I joined their Board and currently am Vice-Chair. This is also my second year serving as Co-Chair of the "BIG Celebration," their major annual fundraising gala.

Why are you passionate about volunteering?

I'm passionate about making positive changes that can be life-impacting. That's what draws me to BBBS CM/MW. The mentoring friendships that are established are impactful and can change

the future for some of these children. The Agency's mission is to provide children facing adversity with strong and enduring, professionally supported one-to-one relationships that change their lives for the better, forever. I have seen firsthand the change in some of the children, in my own Little Sister Paige, and can attest to how positive influences and attention can change the course for these kids. It's awesome and today's world needs more of these organizations!

Anything else you'd like others to know?

This agency currently services over 800 matches across 40 communities. There is a waiting list of over 50 children who need a mentor and friend and all it takes is an hour a week to make a difference. If anyone is searching for a way to give back to their community or for an organization that is impactful, this is it. We are always in need of more BIGs and funding of our programs. Reach out to me for more info or visit their website at www.bbbbscm.org.

Avidia Volunteer Profile

Rich Harrity - VP Collections



Each and every activity is a way for me and - really - for us all to help grow a strong community...



What organization(s) do you volunteer for?

Moderator for the Town of Hudson since 1985.
Director of the Hudson Community Food Pantry since 1993.
Member of the Hudson Rotary Club since 1979.
President of the Hudson Historical Society since 2016. (Prior Treasurer)
Treasurer of the L.D. Apsley Fund since 2007.

What would you consider your primary role?

For the Hudson Community Food Pantry, as a Director, it's the board's responsibility to ensure continuity. It's easy to start a local community food pantry, but the challenge is to be there "year in and year out" and to help those who need such help with a need that never goes away. Because of that, we are a permanent fixture in the "Hudson people helping Hudson people" fabric of our community.

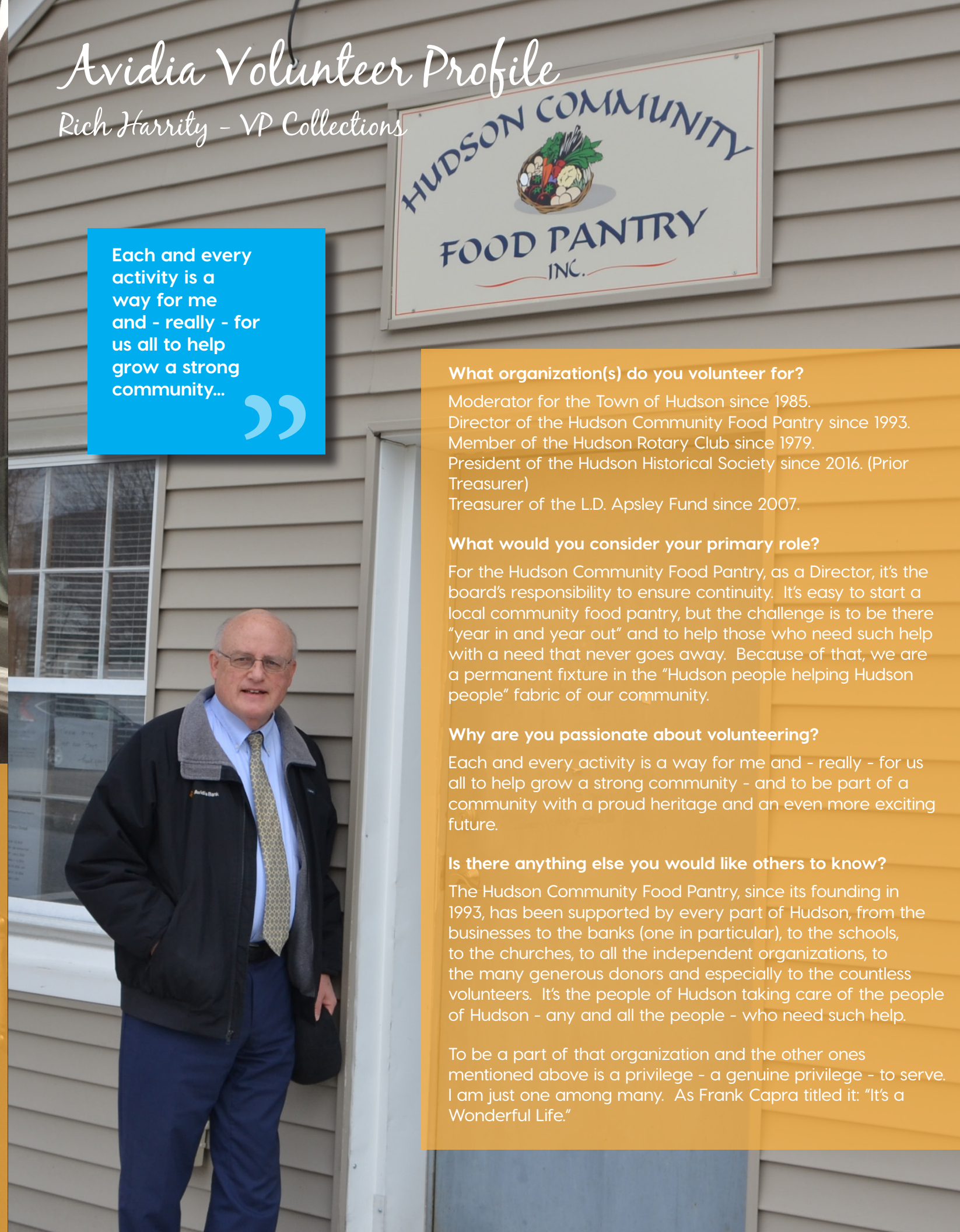
Why are you passionate about volunteering?

Each and every activity is a way for me and - really - for us all to help grow a strong community - and to be part of a community with a proud heritage and an even more exciting future.

Is there anything else you would like others to know?

The Hudson Community Food Pantry, since its founding in 1993, has been supported by every part of Hudson, from the businesses to the banks (one in particular), to the schools, to the churches, to all the independent organizations, to the many generous donors and especially to the countless volunteers. It's the people of Hudson taking care of the people of Hudson - any and all the people - who need such help.

To be a part of that organization and the other ones mentioned above is a privilege - a genuine privilege - to serve. I am just one among many. As Frank Capra titled it: "It's a Wonderful Life."



Employee Health & Wellness

As a financial institution, Avidia Bank has always understood the value of our assets. In 2017, we were proud to dedicate resources to ensure the health and wellbeing of our most valued ones - our employees - through our health and wellness program. Developed in 2010, Avidia's Health and Wellness Initiative was designed to promote a culture of health and wellbeing in the workplace - and to reward employees for their efforts in developing healthy habits. The program, which leverages the wellness rebates offered to participating banks through the Massachusetts Bankers Association health insurance plan, allows us to bring a variety of health and fitness related activities and education to Avidia.

In 2017, our challenges included "Drink Up and Win," a program designed to help employees understand the importance of hydration. As part of the challenge, employees were encouraged to drink (and log) 64 ounces of water a day for at least 16 days, and to complete weekly educational tasks to earn points toward our Banking on Wellness programs.

In addition, as part of our Activity Challenge, we encouraged employees to team up and step up their exercise efforts by logging at least 900 moderate exercise minutes within a six-week period. The team with the highest number of exercise minutes was declared the winner.

Record healthy results.

In 2017, the efforts from our employees resulted in our highest wellness participation level yet - 82% of employees enrolled. As a result of this participation, we awarded more than \$20,000 to our employees in the form of gift cards and other rewards.

A healthy year ahead.

As we move forward, we hope to make 2018 our healthiest year yet. Among the programs, Avidia continues to offer biometric screenings on-site, the Biggest Loser Competition to encourage weight loss and 5K road races.

At Avidia, we know the importance of serving others. We also know that service involves more than just providing our customers with the financial solutions and guidance they need to reach their goals; we must also serve a greater good - by supporting the communities where our customers live and work. In 2017, we were proud to continue supporting our local communities in a variety of ways.

The Avidia Charitable Foundation

To solidify Avidia's long-term commitment to giving back, we created the Avidia Charitable Foundation in 1997. Since its inception, the Foundation has provided more than \$1 million to help 117 non-profit organizations carry out their missions. In 2017, the Foundation proudly awarded more than \$168,000 to organizations dedicated to serving various causes, including health care, education, homelessness, senior care and more.

Bank Giving

In addition to giving through our foundation, in 2017 Avidia Bank contributed more than \$226,000 in sponsorships and other contributions to help support local events, programs and causes, which enrich our communities and bring local people together.

Some of the organizations the Avidia Charitable Foundation supported in 2017 include:

Boys & Girls Club of Fitchburg and MetroWest

Framingham Public Schools

Rotary Club of Westborough

United Way of Tri County

Hanover Theater

Spectrum Health Systems

Hudson Youth Baseball

Committed to serving our customers and a greater good.



Directors

- James N. Ball

Paul Blazar

Nancy M. Carlson

Benjamin H. Colonero Jr.

Neil Flanigan

Michael R. Girard

Joseph Grimaldo

Lona M. Lamson

Jeffrey B. Leland
- Arthur E. Lemire

Joseph F. MacDonough

Paul F. McGrath

Michael Murphy

Mark R. O’Connell

Brian Parker

Phyllis A. Stone

Nicholas Zayka

Trustees Emeritus

- Walter Kinell

Roger B. Leland

Oliver F. Nunes, Jr.

James E. Tashjian

Fred B. Williams

Corporators

- Andrew J. Abu

Christine Alessandro

Michael Allard

Marlene Aron

Ronald Aspero

Charles J. Bacon

David Bagdon

Daniel S. Ball

James Ball

John A. Bartolini Jr.

Paul Blazar

Richard A. Braga Jr.

Michael D. Burks

Nancy M. Carlson

David M. Carlstrom

Richard Casaceli

John L. Casagrande

Peter Cellucci

Preben Christensen

Barbara Clifford

Benjamin H. Colonero Jr.

Robert W. Conery

Joseph J. Connolly

Donna Cox

Gerald L. Curley

Jack Cutone

Fred Daley

Joseph J. DeCarolis Jr.

Lee Dinner

John M. Dombrowski

Benjamin P. Donnarumma

Joseph J. Durant

Ronald G. Ebb

Edward R. Ethier

Neil Flanigan

Dennis P. Flynn

Victor Galvani

Mikala D. Geurtsen

Linda Ghiloni
- Robert B. Gibbons

Michael R. Girard

Catherine Gregory-Mogavero

Joseph Grimaldo

Michael Hanley

Terry E. Hardy

Richard T. Harrity

Douglas H. Harvey

James Hastings

Richard E. Hastings

Thomas H. Hays III

Lester Hensley

Michael Higgins

Maria Hopkins

Scott Hughes

Philip C. Jack

Ian Johnson

Craig S. Johnston

Richard A. Kerdok

Walter A. Kinell

Lona M. Lamson

John I. Lebeaux

Stephen LeDuc

Roger B. Leland

Jeffrey B. Leland

Arthur E. Lemire

Mark Leonard

Thomas Lowe

Joseph F. MacDonough

Todd C. McDonald

Paul F. McGrath

David McLaren

Kevin E. McNamara

Arthur R. Moore Sr.

James J. Morais

Nancy Moran

Susanne Morreale-Leeber

Bartholomew H. Murphy, Jr.

Michael Murphy
- Sumathi Narayanan

Jack Naughton

Roland G. Nentwich

Daniel Notaro

Oliver F. Nunes Jr.

Mark R. O’Connell

Joel C. O’Toole

Philip B. O’Toole

Brian Parker

Carol Parker

John R. Parsons Jr.

George Pember

David A. Philbin

David A. Pickering

William Reynolds

Ernest L. Rooney

Michael P. Saliga

Joseph Santos

Gilbert C. Schiappa

Michael Seymour

Phyllis A. Stone

Garrett F. Sullivan

Margaret B. M. Sullivan

James E. Tashjian

Donald Taylor

Patricia A. Thomas-Fuller

Kim E. Underwood

Naray Viswanathan

Carol Vittorioso

Barry J. Whitney

Fred B. Williams

Scott Young

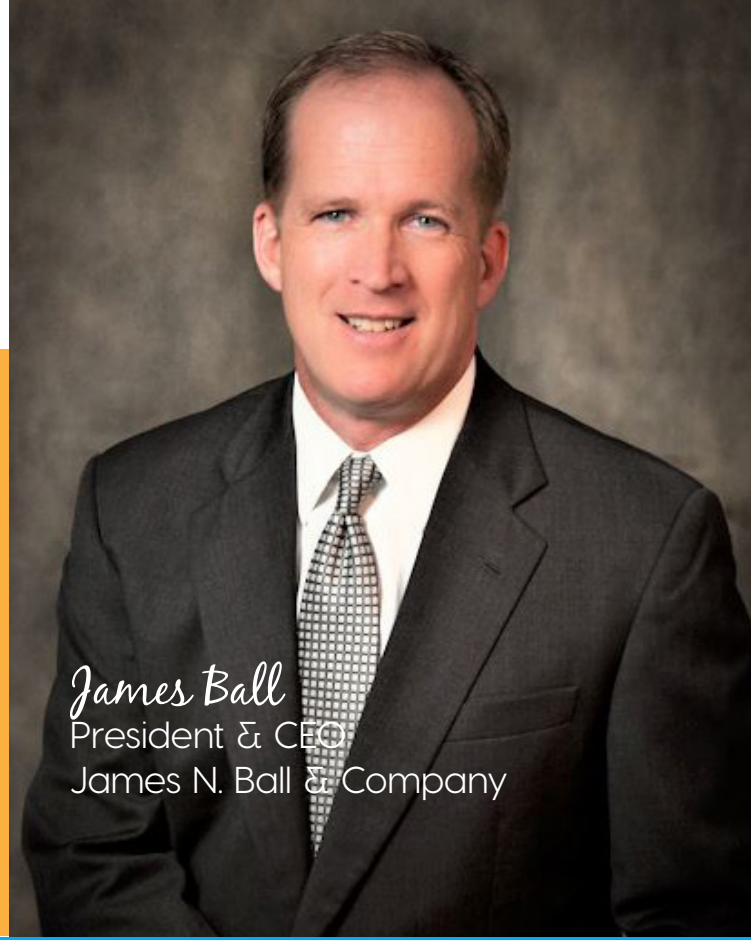
Constantino Zahariadis

Nicholas Zayka

Why did you choose to become an advocate for Avidia Bank?

I opened my first savings account at Westborough Savings Bank nearly 50 years ago, and have been banking there ever since. I’ve always preferred banking with a community bank due to the high level of personal service, and the bank’s commitment to the community. As Avidia has grown, it provides all the services my clients need, while maintaining that high level of individual service.

I have lived in Westborough for 55 years, and owned a company based in Westborough for 34 years. I currently serve on the Westborough Planning Board, Economic Development Committee and Library Foundation.



James Ball
President & CEO
James N. Ball & Company

What is a corporator?

Corporators “govern” Assabet Valley Bancorp, which is the holding company for Avidia Bank. Individuals must be elected to serve on the board of Corporators. Corporators can be local business owners, widely recognized/respected members of the community or anyone who makes a large impact in the communities in which we serve. We ask them to make referrals to the Bank as well as to be our “eyes and ears,” relaying positive or negative feedback they receive out in the community.



Christine Alessandro
Executive Director
BayPath Elder Services, Inc.

BayPath Elder Services is all about local ties, just like Avidia Bank. Avidia may be our corporate banking partner, but they are also our community partner. One example is the Avidia Bank Meals on Wheels delivery team. I want to support Avidia just as Avidia supports us.

We are a leader in the dementia friendly communities’ grassroots efforts, helping and supporting communities and councils on aging in this effort.

To learn more about BayPath Elder Services, what they offer and how you can help, visit baypath.org.

#AvidiaLife

They say a picture is worth a thousand words. The pictures and posts that employees of Avidia Bank use on social media and the hashtag #AvidiaLife say volumes about what it's like to work at Avidia Bank. Employees use #AvidiaLife to connect with customers by creating awareness of local businesses, promoting volunteer efforts, and showing the fun and engagement of everyday life at Avidia.



Officers

Chairman of the Board
Paul Blazar

President & CEO
Mark R. O'Connell

Executive Vice President &
Chief Operations Officer
Robert W. Conery

Executive Vice President &
Chief Operating Officer
Gerald L. Curley

Executive Vice President &
Chief Lending Officer
Bartholomew H. Murphy, Jr.

Executive Vice President &
Chief Financial Officer
Margaret B. M. Sullivan

Senior Vice President,
Senior Commercial
Relationship Officer
Thomas Allain

Senior Vice President,
Marketing
Michael D. Allard

Senior Vice President,
Internal Audit
Jocelyn Arsenaault

Senior Vice President,
Deposit Operations
Emily Braga

Senior Vice President, Risk,
Security & Compliance
Neil Buckley

Senior Vice President,
Human Resources
Thomas Doane

Senior Vice President,
Residential Lending
Donald Frost III

Senior Vice President,
Community Banking
Rita Janeiro

Senior Vice President,
Commercial
Relationship Officer
Stephen McAndrew

Senior Vice President,
Commercial
Relationship Officer
Andrew Miller

Senior Vice President,
Cash Management
Sharon Quinn

Senior Vice President & Senior
Commercial Lending Officer
Dick Schrader

Senior Vice President,
Chief Information Officer
Daniel J. Serafin, Sr.

Senior Vice President,
Senior Commercial
Relationship Officer
Joseph Sova

Senior Vice President,
Credit Administration
Manager
Lee Thompson

Senior Vice President,
Commercial
Relationship Officer
James Wilkins

Vice President,
Commercial Loan
Administration
Andrea Blood

Vice President, Enterprise
Project Management
Joyce Burke

Vice President,
Merchant Services
Cheryl Cain

Vice President, Retail
Operations & Strategy
CarrieAnne Cormier

Vice President,
Investment Services
Robert Cote

Vice President, Commercial
Relationship Officer
Ronald Fraser

Vice President, Controller
Diane Gallien

Vice President, Collections
Richard T. Harrity

Vice President, Community
Association Banking
Howard Himmel

Vice President,
Residential Loan
Administration
Laura Hughes

Vice President,
Payments Risk Manager
Benjamin Lannin

Vice President, Chief
Information Security Officer
Philip Maio

Vice President, Commercial
Relationship Officer
Maureen Marshall

Vice President,
Investment Services
Mary McDonald

Vice President,
Financial Analyst
Karen Moe

Vice President,
Cash Management
Jill Mollica

Vice President,
Branch Administrator
David Morticelli

Vice President, Facilities
Ray Murphy

Vice President, Training
Cori Olson

Vice President, Commercial
Relationship Officer
Ron Notaro

Vice President,
BSA Officer
Elizabeth Owen

Vice President,
Workout Manager
Charles L. Park, Jr.

Vice President, Commercial
Relationship Officer
Daniel Provencher

Vice President, Commercial
Relationship Officer
Avnish Puri

Vice President,
Loan Operations
Andrew Sabine

Vice President,
Investment Services
Edward J. Stearns III

Vice President,
Business Development
Officer
Clifford Thompson

Vice President, Health Care
Solutions Relationship Officer
Lynda Westbrook

Vice President, Commercial
Relationship Officer
Robert Williamson

Assistant Vice President,
Creative and Branding
Manager
Jessica Bonetti

Assistant Vice President,
Market Manager,
Framingham Office
Jeremy Brandon

Assistant Vice President,
Market Manager,
Northborough Office
Jennifer Cardoso

Assistant Vice President,
Social Media and Brand
Communications Manager
Katelin Cwieka

Assistant Vice President,
Loan Operations
Patricia DeSantis

Assistant Vice President,
Branch Manager,
Main Office
Keith Dwinells

Assistant Vice President,
Clerk of the Corporation
Mikala D. Geurtsen

Assistant Vice President,
Market Manager,
Westborough Office
Rhiannon Hernandez

Assistant Vice President,
Electronic Services
Lisa Joyce

Assistant Vice President,
Consumer Lending
Missy Lindberg

Assistant Vice President,
Consumer Lending
Richard Luchini

Assistant Vice President,
Market Manager,
Shrewsbury and
Marlborough Offices
Stephanie Luz

Assistant Vice President,
Cash Management
Pamela O'Brien

Assistant Vice President,
Loan Operations
Amanda Ramsden

Assistant Vice President,
Commercial Relationship
Officer
Tina Ramsey

Assistant Vice President,
Merchant Services
Heather Schneider

Assistant Vice President,
Residential Loan Officer
Natalie Sousa

Assistant Vice President,
Residential Loan Officer
Kelly Tierney

Assistant Vice President,
Deposit Operations
Patti Wood

Branch Manager,
Hudson South Office
Lisette Arbelli

Branch Manager,
Clinton Office
Kristin Costello

Branch Relationship Officer,
Gargi Dutta Roy

Branch Manager,
Leominster Office
Denise Fernald

Branch Manager,
Willows Office
Kimberly Perkins

Officer, Human Resources
Generalist
Danielle Avery

Officer, IT Manager
Robert Benotti

Payment Solutions Officer
Erin Curry

Commercial Loan
Portfolio Officer
Ana Czapkowski

Facilities Officer
Daniel DeAngelis

Officer, Senior Credit Analyst
Robert Eggleston

Assistant BSA Officer
Kevin Ferreira

Residential Loan Officer
Thomas Giusti

Officer, Internal Audit
Tammy Gulcius

Officer, Merchant Services
Account Manager
Zachary Grant

Officer, Senior Credit Analyst
John Iacobucci

Residential Loan Officer
William A. Kinsella III

Workout Officer
Lisa Luz

Officer, Information Security
Analyst
Melissa McDonald

Residential Loan Officer
Andrew Nawrocki

HSA Client Relationship
Officer
Mary Newton

Residential Loan Officer
Edward Perachi

Officer, CRM Analyst
Amy Peterson

Officer, Senior Credit Analyst
Justin Provencher

Residential Loan Officer
Shrenik Shah

Residential Loan Officer
K. Joy Sullivan

E-manager
Todd Wood

consolidated statements of financial condition (Unaudited)

	December 31, 2017	December 31, 2016	December 31, 2015
ASSETS			
Cash and Cash Equivalents			
Cash and due from banks	\$39,828,384	\$24,442,300	\$16,808,575
Federal funds sold	<u>256,726</u>	<u>2,409,237</u>	<u>5,086,118</u>
Total cash and cash equivalents	<u>40,085,111</u>	<u>26,851,538</u>	<u>21,894,693</u>
Investment Securities			
Securities held to maturity	1,551,059	1,568,781	2,685,921
Securities available for sale (at fair value)	<u>105,098,774</u>	<u>83,201,917</u>	<u>83,948,040</u>
Total investment securities	<u>106,649,834</u>	<u>84,770,698</u>	<u>86,633,961</u>
Mortgage-backed and related securities	101,938,785	108,023,978	103,531,896
Loans receivable, net	1,187,577,330	1,096,010,202	997,205,100
Accrued interest receivable	4,439,824	3,530,714	3,084,949
Premises and equipment, net	19,527,206	15,809,279	13,249,548
Foreclosed real estate	780,000	-	380,000
Federal Home Loan Bank stock, at cost	9,706,700	12,434,300	11,044,500
Refundable federal and state income taxes	826,967	1,893,873	2,289,857
Deferred income taxes	4,703,354	3,425,000	3,196,349
Other assets	<u>39,994,508</u>	<u>37,510,645</u>	<u>38,402,498</u>
	<u>\$1,516,229,619</u>	<u>\$1,390,260,226</u>	<u>\$1,280,913,351</u>
LIABILITIES AND RETAINED EARNINGS			
Liabilities			
Deposits	\$1,103,940,261	\$963,615,355	\$896,190,968
Advances from Federal Home Loan Bank	183,573,191	239,383,208	201,222,877
Repurchase agreements	54,409,811	45,194,642	57,335,948
Advances from borrowers for taxes and insurance	2,038,806	1,917,334	2,125,437
Accrued interest payable	104,703	97,246	101,670
Accrued expenses and other liabilities	15,894,398	18,639,470	10,945,104
Subordinated debt	<u>24,293,466</u>	<u>-</u>	<u>-</u>
	<u>1,384,554,636</u>	<u>1,268,847,256</u>	<u>1,167,922,005</u>
Retained Earnings	129,123,005	120,426,587	111,647,113
Unrealized gain (loss) on securities available for sale, net of applicable deferred income taxes of \$1,110,307 in 2017, \$456,860 in 2016 and \$685,511 in 2015.	<u>2,551,978</u>	<u>986,383</u>	<u>1,344,233</u>
	<u>131,674,983</u>	<u>121,412,970</u>	<u>112,991,346</u>
	<u>\$1,516,229,619</u>	<u>\$1,390,260,226</u>	<u>\$1,280,913,351</u>

consolidated statements of income (Unaudited)

	December 31, 2017	December 31, 2016	December 31, 2015
INTEREST INCOME			
Mortgage loans	\$32,485,017	\$31,456,401	\$31,230,958
Commercial loans	21,508,959	16,064,891	11,621,249
Other loans	527,211	373,991	365,209
Investment securities	2,017,245	1,741,764	1,840,025
Mortgage-backed and related securities	2,273,518	1,975,341	1,793,367
Other interest earning assets	<u>172,102</u>	<u>43,483</u>	<u>8,555</u>
	<u>58,984,053</u>	<u>51,655,871</u>	<u>46,859,363</u>
INTEREST EXPENSE			
Deposits	3,563,549	3,192,618	3,864,447
Borrowed funds	<u>4,519,759</u>	<u>2,966,101</u>	<u>2,802,943</u>
	<u>8,083,308</u>	<u>6,158,719</u>	<u>6,667,391</u>
NET INTEREST INCOME	50,900,744	45,497,152	40,191,972
PROVISION FOR LOAN LOSSES	2,675,000	2,625,000	1,650,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	<u>48,225,744</u>	<u>42,872,152</u>	<u>38,541,972</u>
NON-INTEREST INCOME			
Fees and service charges	6,734,496	5,212,324	5,017,809
Gain on sale of investment securities, net	3,785,725	985,286	950,967
Investment management income	<u>848,829</u>	<u>684,556</u>	<u>816,747</u>
	<u>11,369,051</u>	<u>6,882,166</u>	<u>6,785,523</u>
NON-INTEREST EXPENSE			
Compensation and employee benefits	23,054,816	20,668,643	19,377,811
Occupancy and equipment	2,737,024	2,548,948	2,658,789
Marketing	1,276,656	1,041,796	938,886
Deposit insurance	1,097,995	940,485	910,222
Data processing	5,347,404	3,698,284	2,993,149
Depreciation	1,649,115	1,324,398	1,334,444
Other operating expenses	<u>7,580,507</u>	<u>5,970,786</u>	<u>5,748,734</u>
	<u>42,743,517</u>	<u>36,193,340</u>	<u>33,962,035</u>
INCOME BEFORE FEDERAL AND STATE INCOME TAXES	16,851,278	13,560,978	11,365,460
FEDERAL AND STATE INCOME TAXES	<u>8,084,000*</u>	<u>4,781,504</u>	<u>3,729,657</u>
NET INCOME	<u>\$ 8,767,278</u>	<u>\$ 8,779,474</u>	<u>\$ 7,635,803</u>

*Due to the Tax Reform Law enacted in December 2017, an adjustment to Deferred Tax Assets caused a one-time expense of \$1.6 million. Excluding this adjustment, the Bank made Net Income of \$10.3 million.

Moving

Forward



Avidia Bank

800-508-2265 | avidiabank.com

Avidia Bank is a subsidiary of The Assabet Valley Bancorp

Hours & Locations

Hudson

Main Office
42 Main Street
Hudson, MA 01749
Mon-Fri: 8am-4pm
24-hour walk-up ATM

221 Washington Street
Hudson, MA 01749
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-7pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Avidia Financial Center
17 Pope Street
Hudson, MA 01749
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Westborough

100 E. Main Street
Westborough, MA 01581
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Framingham

270 Cochituate Road
Framingham, MA 01701
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Marlborough

256 Maple Street
Marlborough, MA 01752
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Clinton

1073 Main Street
Clinton, MA 01510
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Northborough

53 W. Main Street
Northborough, MA 01532
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Shrewsbury

23 Maple Avenue
Shrewsbury, MA 01545
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

Leominster

470 Lancaster Street
Leominster, MA 01453
Mon-Wed: 8:30am-4pm
Th-Fri: 8:30am-6pm
Saturday: 8:30am-12pm
24-hour drive-up ATM

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