



# 2021

## ANNUAL REPORT

Helping to build businesses,  
homes, dreams and  
communities since 1892.

 **Financial, MHC**



**Build something.**

# ANNUAL REPORT

FOR YEAR-END 2021

Prepared for

**NB** Financial, MHC

AND ITS SUBSIDIARY

**NB** NeedhamBank<sup>SM</sup>



## NEEDHAM BANK CORE VALUES

We believe our corporate values distinguish us in our communities. These six values are ingrained in our culture and guide our strategy of being a future-ready financial partner. Our employees are equally as passionate about these values and demonstrate each of them in the way they support our customers, communities and each other.

▶ **FOCUS ON CUSTOMER RELATIONSHIPS**

▶ **WORK AS A TEAM**

▶ **BE AN ASSET TO YOUR COMMUNITY**

▶ **DO THE RIGHT THING**

▶ **EMBRACE CHANGE**

▶ **ALWAYS LEARN**

## LETTER FROM THE CHAIRMAN | JACK MCGEORGE



Dear Friends:

When last year’s annual report went to press, there was reason to believe that the pandemic would soon be behind us. Vaccines were just being rolled out at sites throughout the Commonwealth, and we looked forward to being able to resume a sense of normalcy in our everyday lives. Unfortunately, COVID-19 wasn’t so easily dismissed, and supply chain issues, labor shortages and remote work continued to test all of us.

Despite these challenges, I’m pleased to report that Needham Bank made significant progress in all areas in 2021. We continued to execute our strategic plan to fully diversify our business model and serve a greater number of businesses and consumers throughout MetroWest and Greater Boston. This included increasing the size of our Commercial Lending and Cash Management teams to supplement our Commercial Real Estate Lending group—the cornerstone of our growth as an institution.

We also increased customer service and technical training. The Bank continuously measures and monitors customer service scores as part of our drive for continuous improvement, and believe the investments we make in our team help drive our best-in-class service scores. This reflects our well-known passion for serving customers and helping them build for their futures. This has been, and always will be, a Needham Bank hallmark.

We continued our multiyear project with Orange Grove Consulting to improve diversity, equity and inclusion, focusing on the unintended consequences of unconscious bias. This project, which involved the entire Bank including our Board of Directors, has been instrumental in helping us create a more inclusive work environment. It was important to have these conversations, but we recognize that more work needs to be done and we continue to look for ways to increase diversity throughout our organization.

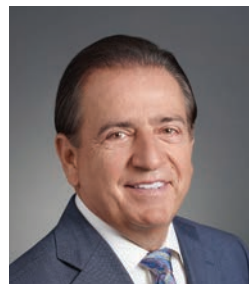
The investments we’ve made in people, technology and processes over the past several years are helping to drive our positive operating results. The Bank generated record earnings in 2021 by growing our customer base rather than raising fees or changing our pricing philosophy. The Bank is well-capitalized and our loan portfolios have shown remarkable resilience during the pandemic. Our financial results enabled us to donate \$829 thousand to area nonprofits serving our communities.

All of us on the Board look forward to continued success, knowing that 2022 will bring challenges. While geopolitical unrest, supply chain constraints and inflation will likely continue, we are confident in our mission to deliver the most advanced financial solutions and state-of-the-art technologies while maintaining an unwavering commitment to our communities and stakeholders. We are fortunate to have the leadership of Bank President and Chief Executive Officer Joe Campanelli, Chief Operating Officer Sal Rinaldi and a committed and engaged Senior Leadership team to help guide this effort. They have been tireless in their support of our mission and of our entire team, ensuring that we truly are a future-ready company.

On behalf of the Board, I thank Joe, Sal, and our employees, customers and Corporators for their contributions to the Bank’s success. I especially want to thank our “financial first responders,” who came in every day to serve our customers despite the many challenges wrought by the pandemic. Your perseverance and resilience were extraordinary.

  
**John W. McGeorge**  
 Chairman of the Board





Dear Friends:

Given the events of the past several years, I think it's safe to say the new normal will be the unexpected and unusual. While the future of work is largely unknown, it is clear that it won't be the same as it was pre-pandemic. How and where we work is forever changed, bringing new opportunities and new challenges. Companies can now recruit talent for various functions without geographic constraints, opening up new and untapped resources. Yet, culture and strategy matter. Building and maintaining a vibrant culture has become more challenging and more important. Employees seek an enhanced balance between work and personal life while struggling with the emotional challenges brought on by the pandemic and geopolitical events.

Business models in almost every industry are being transformed. It is critically important as a bank to understand the direct impact not only on our business model and strategy, but also on our communities and the customers we serve. It's more important today than ever before to be a future-ready enterprise. The pace of change from a technology and human behavior perspective is unprecedented and complicated by uncontrollable worldwide events. Inflation, rising interest rates and supply chain disruptions will be with us for quite some time. The threat of ransomware and the need for continued focus on cybersecurity and fraud prevention will also remain at the forefront. Understanding the evolving landscape will be a significant challenge and necessity in executing our strategy.

Maintaining our strategic focus has served us well in the past year. The Bank completed our most profitable year as a number of initiatives accelerated our earnings momentum while serving all of our stakeholders. We generated over \$21.5 million in record net income while continuing to invest in major projects and initiatives, added \$2 million to our loan loss provision, fully opened a new branch in Mission Hill, and began construction of a new state-of-the-art branch in Dedham.

We recruited 55 new team members, filling 30 vacancies and adding 25 new positions. Our work to increase diversity, equity and inclusion continued through a collaboration with Orange Grove Consulting to build awareness and dialogue throughout our organization. We continued to invest in our communities, supporting nearly 250 organizations and increasing our sponsorships and donations to \$829 thousand for the year.

### COMMERCIAL REAL ESTATE (CRE) LENDING

Historically low interest rates combined with exceptional demand for housing and low inventories caused an accelerated sell through on for-sale residential construction projects. While planning to sell units over 18-24 months post construction, many projects sold out in just a few months, significantly reducing our CRE loans outstanding. Fortunately, the CRE team had an exceptional year in loan originations and expanded our customer base in every market segment.

### COMMERCIAL & INDUSTRIAL (C&I)

All three segments of our C&I division had a record year. In the Small Business division, we improved from the 14th market position to the sixth most active Small Business Administration (SBA) lender in the state.\* We have momentum and a strong pipeline of small businesses looking for our unique combination of big bank technology and community bank service. Ninety-five percent of our Paycheck Protection Program (PPP) loans have been forgiven and repaid, resulting in hundreds of new borrowing and cash management clients.

The Middle Market division experienced significant growth, adding a multitude of full-service relationships. Our cash management products and services continue to be well received, with over \$300 million in new commercial deposits generated in 2021. The group is also developing niche business in key markets including veterinary, dentistry and healthcare.

The Structured Finance division also had a re-

markable year, launching our alternative energy program and preparing for our entrance into the marijuana-related business industry. New relationships were added in the solar and wind power industries. The division also successfully assisted with our tax-planning strategy, generating \$1.4 million in Solar Tax Credits for 2021.

### RESIDENTIAL/CONSUMER LENDING

Residential Lending had another strong year in originations both in refinances and purchases. Additionally, the group continued to diversify its origination capabilities with the launch of consumer and business credit cards along with loan purchases in the auto and marine markets. Efforts to serve the home improvement market in 2022 are currently underway. Our new homebuyer seminars and Community Reinvestment Act marketing efforts continue to help us expand in low-to-moderate-income markets.

### RETAIL BANKING

Our community banking officers continue to gain market share. Our efforts to grow our relationship banking activities have been successful, and we've both gained new customers and deepened our relationships with existing ones. Core deposits have reached a record level along with new account openings.

By all accounts, 2021 was a very successful year in spite of significant continued challenges. Despite the fatigue and stress from the ongoing pandemic, the entire company pulled together to meet the needs of our communities and customers, without compromise.

Going into the new year, we enjoy strong momentum and the comfort knowing that if we continue to execute on our strategic plan, we will remain in control of our future. As we began 2022, we entered into an agreement to transfer Eastern Bank's cannabis banking and money service businesses to us in early April. This reflects our long-standing desire to serve this niche market, leveraging our significant investments in the infrastructure, compliance and regulatory resources necessary to be successful. A key part of our strategy was to bring Eastern's cannabis banking team, led by Executive Vice President Paul Evangelista, to Needham Bank as part of the transition. This team is the most experienced cannabis banking team in Massachusetts, and we are confident that they share our commitment to and passion for customer service.

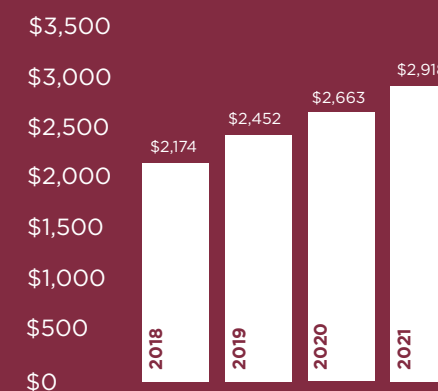
As we look back, several lessons are clear: culture and strategy matter and leadership makes a significant difference. I thank the dedicated Needham Bank Board of Directors and Corporators for their oversight, governance and support, and our entire team for their hard work and perseverance.

Together, we made another step forward in our journey from good to great.

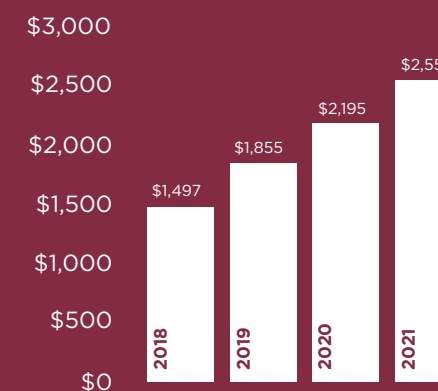
Joseph P. Campanelli  
President & CEO

\*As of the SBA's year-end at 9/30/2021

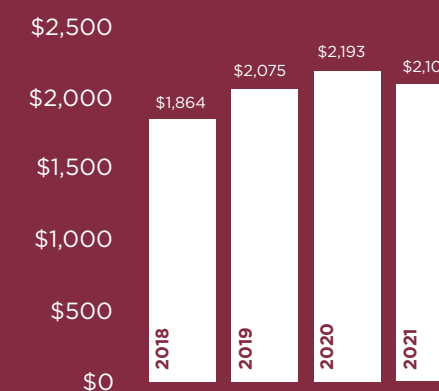
#### TOTAL ASSETS (IN MILLIONS)



#### TOTAL DEPOSITS (IN MILLIONS)



#### TOTAL LOANS (IN MILLIONS)



## COMMERCIAL REAL ESTATE (CRE) LENDING

Needham Bank was yet again able to successfully deliver on our “Builder’s Bank” reputation and was the construction lender of choice throughout Greater Boston, thanks to our CRE team’s continued focus on building strong relationships with our builders and the community. Our team of experts takes the time to fully understand our builders and their projects so we can customize the right loan and cash management package for each one.

Our CRE team understands the importance of a prompt and responsive banking relationship. Even with supply chain issues and delays in permitting and inspection services as a result of COVID, our Credit and Security Committees were able to adjust and continued to meet deadlines—meaning loans were still approved and closed quickly, site inspections were timely, and funds were disbursed promptly. At year-end, our commercial real estate loan portfolio exceeded \$1 billion, a true testament to our ability to meet the needs of area builders.

As always, our CRE team’s top priority is to continue to service our existing portfolio. As for the future, we are assessing new segments such as senior housing and lab space as key areas of expansion where Needham Bank can make a differ-



CHARLIE ZAMMUTO



HOPE BECKMAN

*“From working with experienced and responsive lenders to quick site inspections, Needham Bank makes my life easier.”*

**HOPE BECKMAN**  
Owner, Toad Residential LLC

ence. Our CRE team is also closely watching the Greater Boston market for opportunities to assist developers in repositioning office space into apartments or other income-generating assets due to the shift to remote work.

As developing projects and growing portfolios remain of utmost importance to our clients, Needham Bank adapts to changes in the market while maintaining a solid reputation as “The Builder’s Bank.” We will continue to expand our CRE lending business with a focus on forming and sustaining long-term relationships with builders, operators, investors and developers.

*“Needham Bank is the only bank that I trust to finance all of my projects, from the initial purchase through construction and completion.”*

**CHARLIE ZAMMUTO**  
President, Legacy Construction

## COMMERCIAL BANKING

### STRUCTURED FINANCE

In 2021, the Structured Finance team generated over \$110 million in new commitments. We worked to position ourselves to offer personalized financing solutions below market to help meet our customers’ needs and goals for the future.

Our Structured Finance team focuses on corporations that require \$10 million or more in senior secured debt facilities. This year, that included working in the renewable energy, manufacturing, real estate operating firms, private schools, defense and urgent care clinic markets. We provide commonsense business decisions to craft unique solutions to help businesses with growth financing, acquisitions and the recapitalization of balance sheets.

Our large capital base and competitive product set allow us to compete with and act like regional banks, yet we have all our decision makers in one location, which makes us extremely nimble in constructing deals that work for our borrowers and for us. And if our clients are looking to engage in



RJ VALENTINE

*“Needham Bank provided capital to my business during the very early stages of the pandemic and was dedicated to giving us support for our growth when we needed it most.”*

**RJ VALENTINE**  
Chairman, EarthSafe



KATHERINE CRAVEN

*“It’s clear that Needham Bank cares about establishing long-term relationships rather than just closing deals.”*

**KATHERINE CRAVEN**  
Chief Administration Officer, Babson College

larger transactions, our Structured Finance team can help with syndications and participation lending with other commercial banking institutions.

We have already begun to leverage our sophisticated underwriting team to expand into merger and acquisition financing with private equity sponsored deals. We see a great benefit in doing more renewable energy deals, to help do our part to build a more sustainable and cleaner future. During the recent asset transfer with Eastern Bank, we gained a top-notch specialized banking team with a long history of banking cannabis and money service businesses. With this transaction, we are now a market leading lender in the cannabis industry.

We seek to partner with company owners, senior management teams, private equity sponsors and other corporate finance professionals to provide straightforward and transparent lending options so your business has the funding you need to be successful. Our financing structures support growth and expansion, working capital needs, acquisition plans and even leveraged-backed buy-outs.



## COMMERCIAL BANKING

### MIDDLE MARKET

In 2021, our Middle Market team generated \$36 million in new commitments, \$30 million in funding and \$15 million in new deposits. Equally as important, we strengthened our infrastructure to better serve our customers and expanded our team to have specialists in place for a streamlined banking experience.

Our skilled Middle Market lenders provide financing solutions for small to medium-sized companies with revenue between \$5 million and \$75 million. Needham Bank has built strong relationships with businesses throughout Greater Boston and MetroWest thanks to our ability to fund their general operations, expansion, sales growth, new product development and working capital.

We differentiate ourselves from other banks through our service. We'll learn what makes you and your business unique so we can make the best recommendations on financing options and cash management services—ultimately saving you time and money. We are interested not in transactions, but in building long-lasting relationships with our clients.

We serve a wide range of clients, such as manufacturers, distributors, importers, exporters, medical practices, CPA firms and law firms. In 2022,



ANTHONY SAMUELS



PELUSO FAMILY

*"Needham Bank believed in our vision and crafted a financing package to help us grow our family business."*

**PELUSO FAMILY**  
Shawmut Communications Group

our Middle Market team is looking to grow and make a difference in the healthcare space with veterinary hospitals, eye doctors and more.

It is important to us that our customers have one consistent point of contact to enjoy prompt decisions, detailed feedback, and ultimately an easy and convenient banking relationship.

Our Middle Market team is ready to assist with a full cash management suite and deposit capabilities to serve small to medium-sized companies and corporations in southeast New England. We'll not only help maximize your available cash but also offer your business enhanced security features such as positive pay and ACH positive pay to help you avoid fraud on your accounts.

*"As a business owner, I appreciate that Needham Bank gives guidance on the best lending products for my situation instead of recommending a one-size-fits-all approach."*

**ANTHONY SAMUELS**  
President & CEO, Done Right Building Services

## COMMERCIAL BANKING

### SMALL BUSINESS BANKING

Needham Bank has a long history of supporting small businesses. By providing loans to small independent businesses with revenue ranging from \$100,000 to \$10 million, our Small Business team is proud to help the community prosper by facilitating commerce and expanding employment.

In 2021, Needham Bank was ranked sixth on the SBA's 2021 Fiscal Year Loan Volume Report. This is an impressive milestone, as our rank has continually improved year over year, establishing Needham Bank as a top SBA Lender in Massachusetts. As for the future, the Small Business team is committed to continuous improvement in providing loans to small businesses, which includes completing the process to become an SBA Preferred Lender.

In 2021, our Small Business team actively participated in the Federal Reserve's Main Street Lending Program (MSLP) to assist our clients who suffered financial hardship as a result of the pandemic. Needham Bank closed and funded 14 loans



TONY HUYNH AND BINH TRAN

*"Needham Bank helped us receive the funding we needed to achieve our dream of building the perfect spa and lounge."*

**TONY HUYNH AND BINH TRAN**  
Founders, LavanDa Salon



DANNY AND DINESH WADHWANI

*"When the pandemic hit, we turned to Needham Bank for help and they equipped us with the capital we needed to continue product development."*

**DANNY AND DINESH WADHWANI**  
Founders, ThinkLite

totaling almost \$75 million under the MSLP, which ranked us as the Number 1 Massachusetts-based bank that participated in the program. All 14 of our borrowers have enjoyed stability in 2021 as a result of these loans and our help.

### PAYCHECK PROTECTION PROGRAM (PPP)

In the second round of PPP funding in 2021, the Small Business team closed 658 SBA PPP loans totaling over \$70 million and saved over 8,500 jobs; 214 of those loans for almost \$11 million were to women-owned and minority-owned businesses.

To assist with the SBA PPP process, the Small Business team expanded, adding several full-time employees and hiring five interns. The team provided over 100 hours of technical assistance to help customers complete their PPP forgiveness applications. We also streamlined the loan process by expanding our partnership with Abrigo to use their online portal. All of these improvements resulted in the Bank achieving over 90% PPP loan forgiveness by the end of the summer.



## RETAIL BANKING

In 2021, total core deposits grew over 15%, bringing total deposits to just over \$2.5 billion at fiscal year-end. Our straightforward deposit products, high levels of service and strong community bank values are just some of the reasons that consumers turn to Needham Bank as a trusted partner for their finances.

Our flagship product, NB Checking, offers customers a hassle-free banking experience with no monthly fees and free ATMs through full ATM reimbursement. This, paired with our feature-rich online and mobile banking platforms and convenient branch locations, resulted in 30% growth year over year in consumer checking deposits.

## BRANCH ENHANCEMENTS

Improving the quality of our customer experience is at the forefront of what we do. In 2021, we broke ground on a brand-new location in Dedham Square that includes a drive-up automated teller machine (ATM) and drive-up window, more private office space, and a community room for our customers' convenience. This replaced our existing Dedham branch at 402 Washington Street.

We also invested more deeply in employee training programs with Dale Carnegie, our Wealth Management partner, The Bulfinch Group, and internally



MOLLY AND ROB VON STEIN



THE BERGES-O'DONNELL FAMILY

*"It was important to us to pick a community-minded banking partner that we could trust with our family's finances. The team in Medfield is knowledgeable and friendly—we always feel welcome there."*

**THE BERGES-O'DONNELL FAMILY**  
Retail Banking Customers

with other business lines to strengthen product knowledge. To improve our ability to serve customers, we launched a digital ambassadors program with our digital banking team, developed to help build our retail employees' understanding of our online and mobile banking features.

We also began replacing our existing fleet of ATMs with new machines that are bigger, brighter and more efficient than our current machines.

*"We really wanted a local bank but didn't want to sacrifice on technology. With Needham Bank we get that local feel and great service with an awesome app that lets us handle our banking without even going into a branch."*

**MOLLY AND ROB VON STEIN**  
Retail Banking Customers

## RESIDENTIAL & CONSUMER LENDING

### RESIDENTIAL MORTGAGE LENDING

Rates remained near record lows in 2021 with continued demand for refinancing and traditional fixed-rate mortgages to lock in historically low rates. Residential loan volume was strong, generating \$405 million by year-end.

It was another challenging year for first-time homebuyers and low-to-moderate-income borrowers. Continued low housing inventory kept home prices at record highs. We continued to meet the needs of those in the communities we serve with outreach and products that offer solutions to make the dream of homeownership more attainable, even during a pandemic. Our Loan Officers remained engaged in the community, working with nonprofit organizations to present our mortgage programs to first-time homebuyers.

We continue to offer a variety of unique portfolio lending products that help make homeownership possible. Programs such as our alternate income



THE JONES FAMILY

*"Needham Bank helped my family and me purchase a home while navigating a cross-country move. The process made it easy to purchase a home in Massachusetts!"*

**LISA JONES**  
Residential Lending Customer



LILY AND NOREEN SNOW

*"The Needham Bank team worked with me and my daughter every step of the way to make sure we could buy the perfect home for us."*

**NOREEN SNOW**  
Residential Lending Customer

verification program allow us to make qualifying for a loan possible for applicants with nonstandard sources of income.

### CONSUMER LENDING

Home Equity Lines of Credit (HELOC) grew 18% year over year, with a record \$65 million in HELOCs closed in 2021. More than 300 customers, one-third of them new to Needham Bank, chose to take advantage of our market-leading HELOC product, using it for things such as completing home renovation projects, paying down higher-rate debts and funding college tuition. And we make it easy—every new HELOC customer gets a free NB Checking account, linked to their HELOC, so the funds are ready to go when they are.

We began to offer consumer credit cards in 2021 based on customer feedback. Beginning in March 2021, we launched our new NB Rewards and NB Credit Advantage cards, appealing to both consumers looking to earn rewards when they spend and those looking for a low introductory rate to help consolidate debt and build credit.



# COMMUNITY

## BUILDING STRONG COMMUNITIES

In 2021, we worked closely with nonprofit organizations to find meaningful ways to partner given the fundraising challenges the pandemic presented.

Despite the challenges, we found thoughtful ways to support important community programs, virtual events and financial literacy efforts. In total, we provided \$828,885 in charitable contributions to nonprofit organizations. Fifty-four percent of our donations supported underserved populations in our market, with 30% of the total supporting social justice causes throughout Greater Boston and MetroWest.

## VOLUNTEERISM

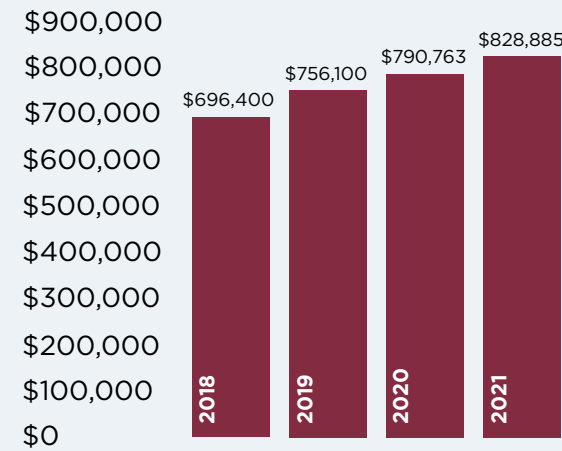
While contributions are crucial to cultivating community partnerships, it's not the only way that we provide support. Our employees appreciate the opportunity to roll up their sleeves and volunteer time to our partners. Given the continuing pandemic, there were fewer in-person opportunities, but that didn't stop us from volunteering over 1,000 hours to nonprofit organizations.

By taking advantage of these opportunities, we were able to deepen relationships with our partners in a virtual environment. Needham Bank



PARTNERS FROM ABCD PARKER HILL, STORYTIME CRAFTS AND NEEDHAM BANK AT THE LITTLE LIBRARY INSTALLATION.

## TOTAL CONTRIBUTIONS & SPONSORSHIPS



employees facilitated workshops with Junior Achievement and provided mentorship to Boston Public School students through support of BUILD Greater Boston. Residential Lenders also shared their expertise at several First-Time Homebuyer workshops offered in partnership with organizations like the Massachusetts Affordable Housing Alliance and the Asian Community Development Corporation. Our community commitment goes well beyond just writing checks. Our team is eager to volunteer and make a difference.

*"Needham Bank not only supported Storytime Crafts but also helped us find a location for our little library at the ABCD Parker Hill branch."*

**LISA VERGARA**  
Founder & President, Storytime Crafts

# The Needham Bank Crew in the Community





# FINANCIALS

Statement of Condition (in thousands)	December 31, 2021	December 31, 2020
<b>ASSETS</b>		
Cash and due from banks	<b>\$457,181</b>	\$191,580
Federal funds sold	<b>9,869</b>	31,139
Total cash and cash equivalents	<b>467,050</b>	222,719
Investment securities		
Available for sale, at fair value	<b>251,704</b>	156,192
Loans receivable, net	<b>2,086,341</b>	2,175,191
Accrued interest receivable	<b>7,538</b>	8,562
Other real estate owned, net	-	-
Banking premises and equipment, net	<b>29,208</b>	29,927
Co-operative Central Bank Reserve Fund	<b>139</b>	139
Federal Home Loan Bank stock	<b>2,286</b>	8,058
Federal Reserve Bank stock	<b>7,596</b>	6,232
Non-public investments	<b>12,332</b>	4,882
Bank owned life insurance	<b>25,651</b>	3,616
Prepaid expenses and other assets	<b>21,707</b>	42,478
Income tax refunds receivable	-	-
Deferred income tax asset	<b>6,374</b>	5,998
Total Assets	<b>\$2,917,926</b>	\$2,663,994
<b>LIABILITIES AND EQUITY</b>		
Deposits	<b>\$2,564,538</b>	\$2,202,061
Mortgagors' escrow accounts	<b>3,650</b>	3,588
Borrowings	<b>256</b>	120,368
Accrued income taxes	<b>15</b>	226
Accrued expenses and other liabilities	<b>15,443</b>	24,359
Accrued retirement liabilities	<b>7,895</b>	6,075
Total Liabilities	<b>\$2,591,797</b>	\$2,356,677
Equity:		
Retained earnings	<b>328,401</b>	306,826
Accumulated other comprehensive income (loss)	<b>(2,272)</b>	491
	<b>326,129</b>	307,317
Total Liabilities and Equity	<b>\$2,917,926</b>	\$2,663,994

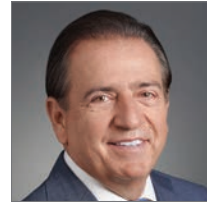
Statements of Income (in thousands)	December 31, 2021	December 31, 2020
<b>INTEREST AND DIVIDEND INCOME</b>		
Interest and fees on loans	<b>85,873</b>	89,455
Interest and dividends on investments and cash equivalents	<b>4,768</b>	6,484
	<b>\$90,641</b>	\$95,939
<b>INTEREST EXPENSE</b>		
Interest on deposits	<b>10,590</b>	21,204
Interest on borrowed funds	<b>2,040</b>	5,049
	<b>\$12,630</b>	\$26,253
<b>NET INTEREST INCOME</b>	<b>\$78,011</b>	\$69,686
<b>PROVISION FOR LOAN LOSSES</b>	<b>2,050</b>	6,900
<b>NET INTEREST INCOME AFTER LOAN LOSS PROVISION</b>	<b>\$75,961</b>	\$62,786
<b>NON INTEREST INCOME (LOSSES)</b>		
Customer service fees	<b>3,413</b>	1,958
Increase in cash surrender value of BOLI, net of split dollar expense	<b>400</b>	81
Realized net gains on sales and calls of securities	<b>481</b>	5
Gain on sale of banking premises and equipment	<b>496</b>	-
Mortgage banking income	<b>1,830</b>	3,709
Swap contract income	<b>1,988</b>	2,629
Other income	<b>46</b>	126
	<b>\$8,654</b>	\$8,508
<b>OPERATING EXPENSES</b>		
Salaries and employee benefits	<b>38,046</b>	33,632
Director and professional service fees	<b>3,713</b>	3,199
Occupancy and equipment expenses	<b>3,845</b>	3,905
Data processing expenses	<b>4,814</b>	4,432
Marketing and charitable contribution expenses	<b>2,822</b>	2,584
FDIC and state insurance assessments	<b>1,398</b>	1,701
OREO and foreclosure and losses, net	-	103
General and administrative expenses	<b>2,345</b>	2,388
	<b>\$56,983</b>	\$51,944
<b>INCOME BEFORE TAXES</b>	<b>27,632</b>	19,350
<b>INCOME TAXES</b>	<b>6,057</b>	5,279
<b>NET INCOME</b>	<b>\$21,575</b>	\$14,071



## BOARD OF DIRECTORS



**Jack McGeorge**  
Chairman of the Board  
Needham Bank



**Joseph Campanelli**  
President & CEO  
Needham Bank



**Lennox Chase**  
Founder & Owner  
Chase Legal Services



**Robert Cicerone**  
Professor  
Bridgewater State  
University



**William Darcey**  
President & CEO  
Provider Insurance  
Group



**William Day**  
Retired Executive  
Needham Bank



**Susan Elliott**  
Retired Executive  
Vice President  
Federal Home Loan  
Bank of Boston



**Arthur Howe**  
President  
Howe Associates/  
Marketing Design



**Christopher Lynch**  
President  
Marshall Resources



**Thomas McInerney**  
Owner  
Relaxin Custom  
Embroidery



**Paula McLaughlin**  
Director of  
Advancement  
Hale Reservation



**Francis Orfanello**  
Operating Partner  
One Rock Capital  
Partners



**Richard Quincy**  
President  
Quincy & Co.



**Mark Whalen**  
Retired CEO  
Needham Bank

## CORPORATORS

**John Antonucci**  
Superintendent  
North Attleboro Public  
Schools

**Kristen Atwood**  
Founder  
Ripples of Hope

**Suzanne Bandanza**  
Principal  
Kerivan-Lane Oil

**Ryan Barrett**  
Founder & CEO  
ORAM Corporate  
Advisors

**Alison Borrelli**  
Realtor  
Berkshire Hathaway Home  
Services Commonwealth  
Real Estate

**John Buckley**  
Broker/Owner  
Jack Buckley Realty

**Joseph Campanelli**  
President & CEO  
Needham Bank

**Lennox Chase**  
Founder & Owner  
Chase Legal Services

**Robert Cicerone**  
Associate Professor  
Bridgewater State  
University

**Mary Crane**  
Owner  
Mary Crane Properties

**William Darcey**  
President & CEO  
Provider Insurance Group

**William Day**  
Retired Executive  
Needham Bank

**Susan Elliott**  
Retired Executive  
Vice President  
Federal Home Loan  
Bank of Boston

**Seana Gaherin**  
Owner  
Dunn Gaherin Inc.

**Anne Giovanoni**  
VP, Corporate Counsel  
Alkermes, Inc.

**James Healy**  
Deputy Executive  
Vice Chancellor  
UMass Medical School

**Arthur Howe**  
President  
Howe Associates/  
Marketing Design

**Christopher Kelly**  
Principal  
Insight Partners, Inc.

**Christopher Lynch**  
President  
Marshall Industries

**Kelly Hynes McDermott**  
Founder & Director  
Hynes Communication

**Jack McGeorge**  
Chairman of the Board  
Needham Bank

**Tom McInerney**  
Owner  
Relaxin Custom  
Embroidery

**Paula McLaughlin**  
Director of Advancement  
Hale Reservation

**John Morris**  
Managing Partner  
Crestwood Advisors

**Tim Nugent**  
Managing Director  
Hilb Group New England

**Francis Orfanello**  
Operating Partner  
One Rock Capital  
Partners

**Richard Quincy**  
President  
Quincy & Co.

**Edward Salmon**  
Race Rock Capital

**Jason Weissman**  
Founder & Senior  
Partner  
Boston Realty Advisors

**Mark Whalen**  
Retired CEO  
Needham Bank

**Janelle Woods-McNish**  
Managing Director,  
Community Impact  
Trustees of Reservations



Needham Bank remembers former Corporator Scott Bock and his many contributions to our community as President and CEO of Riverside Community Care.



**ASHLAND**

41 Front Street  
Ashland, MA 01721

**DEDHAM**

326 Washington Street  
Dedham, MA 02026

**DOVER**

60 Centre Street  
Dover, MA 02030

**MEDFIELD**

520 Main Street  
Medfield, MA 02052

**MILLIS**

857 Main Street  
Millis, MA 02054

**MISSION HILL**

1457 Tremont Street  
Boston, MA 02120

**NATICK**

17 West Central Street  
Natick, MA 01760

**NEEDHAM**

1063 Great Plain Avenue  
Needham, MA 02492

**WELLESLEY**

458 Washington Street  
Wellesley, MA 02482

**WESTWOOD**

341 Washington Street  
Westwood, MA 02090

**SPECIALIZED BANKING CENTER**

**MEDFORD**

400 Mystic Avenue  
Medford, MA 02155