

HERE

the people of the Seacoast come first

FEDERAL
SAVINGS
— BANK —



GREETINGS

A year of growth and transition

2018 was another successful year for Federal Savings Bank, with asset growth of \$27.3 million, an increase of 7% from fiscal year 2017. Our growth can be attributed to an extraordinary effort from every person on our team, as well as the continued loyalty of our customers—some of whom have relationships with us that go back generations.

In addition to our strong financial performance, I have some exciting news to share with you. This summer, we will be changing our name from Federal Savings Bank to **First Seacoast Bank**.

Why First Seacoast Bank? We have proudly supported the Seacoast region for nearly 130 years and want to clearly communicate our strong commitment to the people, businesses, and communities we serve. We think our new name better reflects who we are and why we are here. Best of all, we will still be known as “FSB” which should help ease the transition to our new brand.

We have always moved forward with purpose, from our founding as Dover Co-Operative Savings Fund and Loan Association in 1890, to Dover Federal Savings and Loan Association in 1955, to Federal Savings Bank in 1983, and now to First Seacoast Bank. While our name has changed over the years, our mission, vision, and values have not.

We are excited about the future of FSB and the Seacoast and are renewing our longstanding pledge to work with you to help shape the future of this wonderful region that we call home.

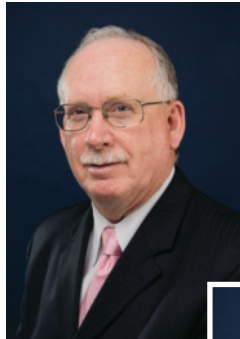
Thank you to our staff, our Board of Directors, and our customers for a strong 2018 and a future filled with renewed energy, optimism, and opportunity.



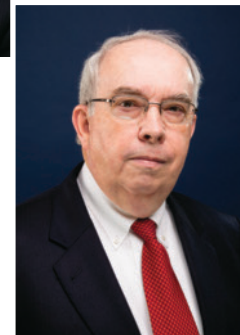
James R. Brannen
James R. Brannen, President & CEO

WITH GRATITUDE

Jay O'Neill concluded his remarkable career in banking in 2018, as he retired from his role as our President and Chief Executive Officer. A banker since 1975, Jay joined FSB in 1994 as Vice President, Senior Retail Officer, and became President and CEO in 2009. During his tenure, the Bank exceeded growth expectations, going from \$257 million in assets in 2010 to \$359 million in 2017. He oversaw the opening of our Rochester branch, our transformation to modern “dialogue banking,” and new services like the Customer Call Center, mobile banking, and the founding of the FSB Charitable Foundation. All the while, he insisted on crediting the Bank’s success to the entire FSB team. He will be missed, but never replaced. Thanks, Jay.



Jim Schulte first joined our Board in 1982, just before we changed our name to Federal Savings Bank. With his well-earned retirement, we look back on nearly 36 years of remarkable achievement as he helped us evolve into the FSB of today. His first term as Chairman, in 1989, coincided with our 100th anniversary! Over the course of his directorship, he helped to recruit and retain numerous bank officers and Board members as he engaged in some of our most significant projects, from our first ATM, to opening new branches, and incorporating online banking technologies. Under Jim’s leadership, FSB also introduced commercial banking, including our certification as an SBA-approved lender. Congratulations, Jim, and thank you.



S U P P O R T I N G O U R C O M M U N I T Y



In 2018, we donated over **\$200,000** to 100+ local nonprofit organizations through direct contributions and our **Casual for Our Community** jeans day initiative.

In addition to our financial support, our employees contributed countless hours of volunteer time through our **Eagles In Action** philanthropy program.



A few **RECIPIENTS**

Big Brothers Big Sisters of NH
Seacoast Youth Mentoring Program
\$2,500

Friends of Madbury Library
New Library and Community Center
\$10,000

YMCA of the Seacoast
YMCA of Strafford County
Summer Camp Program **\$5,000**

FSB Scholarship Program
Eight **\$1,000** scholarships awarded
to local high school students

Monarch School of New England
Therapeutic Garden **\$2,500**

Families First Health
& Support Center
Dental Program **\$2,500**

FINANCIALS in thousands

Statement of Condition

for the Period Ending
December 31:

Assets	2018	2017
Cash on Hand & In Banks	\$5,889	\$5,650
Investments & Securities	\$49,622	\$37,042
Loans		
Residential Loans	\$201,759	\$188,787
Commercial Loans	\$106,350	\$104,401
Consumer Loans	\$12,446	\$13,321
Deferred Fees	\$866	\$786
Less Reserve for Loan Losses	(\$2,806)	(\$2,804)
Net Loans	\$318,615	\$304,491
Land, Buildings and Equipment .	\$5,581	\$5,944
Net Other Assets	\$7,406	\$6,620
Total Assets	\$387,114	\$359,747
Liabilities & Capital	2018	2017
Deposit & Escrow Accounts	\$275,207	\$250,529
Total Borrowings	\$75,737	\$72,225
Other Liabilities	\$3,443	\$5,095
Total Liabilities	\$354,387	\$327,849
Total Capital	\$32,727	\$31,898
Total Liabilities & Capital	\$387,114	\$359,747

Income Statement

for the Period Ending
December 31:

Income	2018	2017
Interest Income on Loans & Investments	\$14,264	\$12,600
Interest Expense on Deposits & Borrowings	\$3,145	\$1,820
Net Interest Income	\$11,119	\$10,780
Provision for Loan Losses	-	\$160
Adjusted Net Interest Income	\$11,119	\$10,620
Total Non-Interest Income	\$1,550	\$1,815
Total Non-Interest Expense	\$11,356	\$10,822
Income Before Taxes	\$1,313	\$1,613
Income Tax Expense	\$232	\$701
Net Income	\$1,081	\$912

Board of Directors

2018 Chairman

Dana C. Lynch

2018 Vice Chairman

Thomas "TJ" Jean

Patricia Barbour

Michael J. Bolduc

Mark Boulanger

James R. Brannen

James Jalbert

Erica Johnson

James Schulte

Janet Sylvester

Paula Williamson-Reid

Officers

James R. Brannen

President & Chief Executive Officer

Timothy F. Dargan

*Senior Vice President,
Senior Commercial Loan Officer*

Richard M. Donovan

*Senior Vice President,
Chief Financial Officer*

Brad Barbin

Vice President, Chief Information Officer

Paul Bergeron

Vice President, Commercial Loan Officer

Pamela J. Bishop

Vice President, Commercial Loan Officer

John Crisp

*Vice President, Commercial
Portfolio Officer*

Barbara Graziano

*Vice President, Internal Audit,
Compliance & BSA Officer*

Priscilla MacInnis

Vice President, Commercial Loan Officer

James C. McKenna

Vice President, Wealth Management

Tiffany Melanson

*Vice President, Marketing &
Public Relations*

Stephanie Morneau

*Vice President, Retail Loan
Production Officer*

William Sawyer

Vice President, Special Assets Manager

Jennifer Stauffis

*Vice President, Treasurer & Finance/
Deposit Operations Officer*

John Swenson

*Vice President, Bank Administration &
Enterprise Risk Officer*

Jean Tremblay

*Vice President, Senior Retail
Loan Officer*

Chantal Upton

Vice President, Sales & Training

Thomas Wilhelm

Vice President, Loan Operations Officer

Sharon Zacharias

Vice President, Human Resources

Susan L. Brown

Corporate Clerk

Ted Baker

Assistant Vice President, Financial Advisor

Brian Bjorkman

Assistant Vice President, Controller

Valerie Dyer

*Assistant Vice President,
Business Development Officer*

Cheryl Thompson

*Assistant Vice President,
Business Development Officer*

Sharla Rollins

*Assistant Vice President, Branch
Administrator/Branch Manager*

Janet Wyman

*Assistant Vice President,
Deposit Operations Manager*

Eric Cournoyer

Lead Mortgage Loan Officer

Coralie O'Brien

Mortgage Loan Officer

Cindy Ward

Mortgage Loan Officer

Katie Buote

Barrington Branch Manager

Gina DeNuzzio

Durham Branch Manager

Norlaila Miller

Portsmouth Branch Manager

Zachary Zwicker

Dover Branch Manager



Dover

633 Central Avenue, Dover, NH 03820
603-742-4680

Durham

7A Mill Road, Durham, NH 03824
603-868-1111

Barrington

6 Eastern Avenue, Barrington, NH 03825
603-664-9327

Portsmouth

1650 Woodbury Avenue, Portsmouth, NH 03801
603-431-2212

Rochester

17 Wakefield Street, Rochester, NH 03867
603-332-3740



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