

Building On our Success.

2022 Annual Report



Partnering with a Purpose





“While the road for some banks is uncertain, you can see Liberty Bank is positioned as well as any other bank in the country.”

To the Liberty Bank Community,

Liberty Bank faced unprecedented challenges in recent years and 2022 was no different. We continued to confront headwinds globally and in our local communities.

However, we turned an unpredictable 12 months into another historic year – remaining true to our mission, instilling a sense of purpose in everything we did and building on our momentum from 2022.

A Well-Positioned Mutual Bank

At nearly 200 years old, we are the oldest and largest independent mutual bank in the country – owned by our customers, not driven by outside shareholders or Wall Street motives.

We ended 2022 with nearly \$7 billion in assets. We focused on safety and soundness and regularly evaluated our internal operations and policies. We operated in a financially responsible way, resulting in excellent earnings, capital and liquidity.

Liberty underwent a cadence of regulatory exams and external audits. We continued to make sure our customers' banking experience was safe and protected. Liberty also continued to invest in our community partners, surpassed our volunteerism goal and delivered on our brand promise to 'Be Community Kind'.

While the road for some banks is uncertain, you can see Liberty is positioned as well as any other bank in the country.

2022 Accomplishments

In this report, we highlighted several customer relationships that bring to life our accomplishments and celebrate the outstanding people behind our results in 2022. We have a lot to be proud of in 2022 and our 250,000 customer relationships are each equally important as we build on our successes together.

Our commercial and retail lenders teams generated significant loan growth and bolstered our I-91 corridor lending strategy. We achieved terrific financial results. We replaced our aging ATM fleet with more modern machines, eliminated certain fees for customers and provided new products for unbanked and underbanked communities.

We refreshed our three-year strategic plan and our branch teammates and call center agents delivered extraordinary customer experiences in-person, over-the-phone and via virtual chat.

I'm also proud to announce our teammates voted us a Top Workplace for the 11th consecutive year and were once again named a 'Best-in-State Bank' by Forbes.

A Position of Financial Strength and Opportunity

I want to thank you for making 2022 another successful year. We remained strong, resilient and nimble and showed a remarkable ability to build on successes from the previous year - all while championing our Vision to build *the* community bank of the future.

Today, we remain in a position of financial strength and opportunity.

Sincerely,

David W. Glidden President & CEO

2022 Highlights

Total Operating Revenue was
\$264.9 million,

growing by 23.8% in 2022

Loan Growth of
\$959.7 million

\$6.9 billion

in assets at the end of 2022

Net Income of
\$39.5 million

In 2022, our team opened nearly **23,000 new consumer and business checking accounts.**



282
new loans  

Commercial Banking originated **282 in new loans, bringing the portfolio to \$3.6 billion plus.**

Our **Hartford** Commercial Loan Production Office secured \$175.6+ million loans in 2022.

Our **New Haven** Commercial Loan Production Office's loan total exceeded \$70.5 million.

Our **Massachusetts** Commercial Loan Production Office produced a total of more than \$70.3 million in loans.



 **14,255**
new households

Our team welcomed 14,255 new households across the Bank in 2022, bringing our total number of households to over 178,100.




Our Commercial Real Estate Team produced about **\$1.1 billion** in new loans and bringing the portfolio to nearly \$2.3 billion.



\$2.3 billion



\$340 million 

In 2022, our Retail Lending team generated **\$340 million in residential mortgages**, in addition to offering our customers \$186.3 million in Home Equity and Home Equity Line of Credit loans.

We provided **nearly \$312.5 million in net Resort Finance advances**, which included adding seven new customers.

\$312.5 million 

27%

increase over 2021



2022 was another record-breaking year for our Small Business Lending Team, closing 790 loans which totaled more than \$89 million. **This is a 27% increase over 2021!**



Our Retail Lending Team **secured number #1 marketshare in the City of Hartford among banks in 2022** (over 24% marketshare in the City of Hartford with all mortgages totaling more than \$13 million).



We successfully rolled out a **brand new fleet of ATMs** in April of 2022 - a huge win for our customers and delivering a faster, modern and more reliable ATM Network.



Voted a Hartford Courant **Top Workplace for the 11th straight year**, being named an employer of choice as voted by our teammates.

LBIS



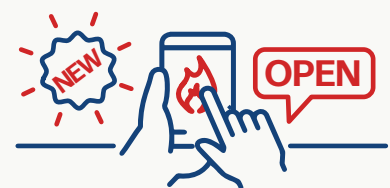
Liberty Bank Investment Services' Portfolio stands at **nearly \$1.4 Billion in Assets Under Management**

protected
512
customers
from fraud



In 2022, our Fraud Intelligence Unit prevented 501 customers from losing just over \$3.6 million in funds due to various scams and **helped avert losses due to fraudulent transactions totaling more than \$5.7 million.**

For a second consecutive year, Liberty earned a spot as a Connecticut **Best-in-State-Bank by Forbes** in their 5th annual ranking.



To improve the customer experience, our Digital Banking Team **implemented a new account opening tool**, making it simpler and more seamless to open a Liberty Bank account online.

Fulfilling our *Be Community Kind* Brand Promise: Foundation Grants, Corporate Sponsorships & Volunteerism

In 2022, Liberty Bank and the Liberty Bank Foundation demonstrated what it means to 'Be Community Kind' - this time dedicating over \$2.3 million to community partnerships through grants and corporate sponsorships bolstered by thousands of hours of volunteerism.

\$290K Raised for our Communities

during our annual employee fundraising campaign for Middlesex United Way, **exceeding our goal by more than \$40,000.**

265+ Good Neighbor Mortgages

totaled \$54 million, creating home ownership opportunities in low and moderate income communities within our footprint.

Over \$891,600 Corporate Sponsorship Dollars

were invested to help hundreds of community organizations in support of events and causes throughout the communities we serve.

Funded 120+ Early-Stage Entrepreneurs in Our Academy for Small Business,

a 10-session program held a few times during the year **designed to support local start-up businesses.**

155+ Community Outreach and Educational Programs

were conducted, including Credit Building and Budgeting, First-time Homebuyer seminars, Affordable Housing and Economic Development forums, youth Credit for Life fairs, and Small Business training.

"In 2022, our team once again delivered on our brand promise to 'Be Community Kind'. I couldn't be prouder of our partnership with hundreds of local organizations and my teammates' everlasting commitment to our mission to improve the lives of our customers, teammates and communities for generations to come."

David W. Glidden,
President & CEO

13,270 Hours of Volunteerism

logged by teammates. The level of employee volunteerism in 2022 reached levels Liberty previously achieved pre-pandemic.

1,000 Hours of Financial Literacy Training

was delivered to 1,200+ high school and middle school students.



Liberty's Inaugural 'Impact Report'

Corporate social responsibility has been a fundamental tenet of Liberty since its founding and continues on today. Last year we issued our inaugural Impact Report, a comprehensive narrative that highlights the critical role we have in promoting a socially responsible and sustainable future. Liberty Bank 2021 Impact Report (liberty-bank.com)

Visit www.liberty-bank.com/community and click to view the 2021 Impact Report.

New Record Pre-Provision Net Revenue Driven by Strong Lending Growth, Excellent Asset & Liability Management and our Outstanding Teammates!

Liberty Bank's core earnings performance was outstanding in 2022 achieving an all-time high Pre-Provision Net Revenue of \$93.6 million and Net Operating Income of \$93.1 million!

The Retail and Commercial Lending teams performed tremendously, growing our gross loan portfolio by \$959.7 million, or 23.3%. We were well positioned to fund these loans since we invested our excess liquidity in short-term investments, maintaining strong liquidity in anticipation of a higher rate environment. The Federal Reserve approved seven federal funds rate hikes throughout the year, totaling 4.25%, proving that our conservative investment decisions with our excess liquidity was wise. Net Interest Income rose dramatically to \$215.1 million; 29.8% better than 2021. Despite the rapidly increasing rate environment, our Interest Expense was \$6.0 million lower than 2021 as we significantly reduced deposit and borrowing costs with strong asset/liability management.

We prudently reduced the Balance Sheet by lowering borrowings by \$295 million and letting high cost, non-relationship net deposits of \$219.4 million attrite while growing our transactional demand deposits by \$60.8 million and adding 14,255 new households to the Liberty family.

Our Tier 1 Leverage Capital Ratio of 12.97% is up 90 basis points from 2021 and our Capital to Assets Ratio rose to 13.2%, underscoring that Liberty Bank is extremely well-capitalized.

Our People are our Most Valuable Assets!

The impressive financial performance in 2022 is a direct result of our outstanding teammates working together for a common purpose, rising up to face the significant challenges through the pandemic and into the turbulent, inflationary economic environment. I am so proud of how our teammates executed with excellence and demonstrated once again that they are Liberty Bank's most valuable assets. As we look to the future and progress towards our 200 year anniversary, it's their commitment to our vision and sense of purpose that will continue to drive our success!



Paul S. Young Chief Financial Officer

CONSOLIDATED BALANCE SHEETS

At December 31, (dollars in thousands)	2022		2021	
Assets				
Cash and investments	\$	1,481,915	\$	2,997,973
Loans:				
Consumer residential		1,091,845		879,876
Consumer		385,807		280,336
Commercial mortgages		2,690,870		2,074,605
Commercial		916,933		890,909
Gross loans		5,085,455		4,125,726
Loan loss reserves		(72,727)		(71,915)
Loans, net		5,012,728		4,053,811
Other assets		451,901		349,247
Total assets	\$	6,946,544	\$	7,401,031
Liabilities and Capital				
Deposits		5,769,228		5,927,804
Federal Home Loan Bank borrowings		69,518		364,853
Other liabilities		193,214		181,228
Total liabilities		6,031,960		6,473,885
Capital		914,584		927,146
Total liabilities and capital	\$	6,946,544	\$	7,401,031

Liberty, CATIC and the City of Hartford:

Collaborating to Make Home
Buying a Reality for More
Hartford Residents

In spring of 2022, Liberty Bank, the City of Hartford Treasurer's Office and CATIC, a Connecticut-based title insurance company that provides specialized services to the real estate community, launched a new private-public partnership to boost homeownership rates in our Capital City. We were eager to develop a unique program aimed at delivering a meaningful impact in underserved communities where we live and work.

The shared vision to make owning a home more affordable and provide opportunities for first-time homebuyers involves a three-

Building On Our Success

At Liberty, we're building on our success every day because of the strong partnerships we form throughout the communities we serve. We are focused on maintaining an unwavering commitment to our personal, business and commercial banking customers by helping them achieve financial success. When they succeed, we succeed.

Our dedicated bankers form holistic relationships to effectively meet personal and business banking needs. This also means we provide the kind of extraordinary customer experiences only community banks like ours knows how to do while having the size and scale to be able to implement tailored solutions that meet complex banking needs.

We are devoted to going above and beyond for our customers every time and every way they choose to bank with us: in our branches, digitally online or mobile, and over the phone. Our team stands ready in protecting our customers' financial privacy and providing safe and secure banking. Beyond our reputation for first-class banking and extraordinary customer service, Liberty has been named a 'Top Workplace' every year since 2012, a #1 Large Employer twice and a Forbes Best-In-State Bank in 2021 and 2022. We support our communities through our charitable foundation, corporate sponsorships, mutually beneficial partnerships and employee volunteerism.



"I commend the leadership of Liberty Bank for the excellent work achieved through the Good Neighbor Plus Program, which has effectively connected with the community, providing education, resources, and support to close 46 mortgages and 195 prequalifications in its first year in the City of Hartford. We look forward to our continued partnership in year two of the program as we work to elevate the critically important goal of achieving financial literacy."

**City of Hartford Treasurer, The
Honorable Carmen I. Sierra**

pronged approach. Initially, it improves access to Liberty's Good Neighbor Plus product for those looking to buy a home in Hartford while leveraging CATIC's innovative products and services. Second, it expands relationships with local nonprofit organizations in Hartford through the assistance of the Treasurer's Office to raise awareness amongst city residents looking to purchase a home. Thirdly, it helps homebuyers work with additional parties to mitigate expenses and fees.

Many families and individuals in Hartford experience barriers to homeownership, are underserved by the mortgage market and need access to financing and resources in order to realize their dreams. As partners, we are working to change the financial landscape of our communities and create equal opportunities. This collaborative effort, coupled with providing access to safe and affordable financial products and services such as our BankSmart account, which launched in January

2022, are contributing to more inclusive and equitable communities.

"We are grateful to partner with a Bank that has 'community' as a core value," said James M. Czapiga, Esq., President & CEO of The CATIC Family of Companies. "The success of the Good Neighbor+ Program is a testament and a blueprint as to how public and private sectors can work together to help build better futures for those in our underserved communities. We are glad to see it continuing to expand."

Thanks to the impactful and highly innovative alliance, our Retail Lending Team secured number #1 marketshare in the City of Hartford among banks in 2022 (over 24% marketshare in the City of Hartford with all mortgages totaling more than \$13 million). And it already has opened new doors, laying the groundwork for getting more change into action. This model can easily be mirrored in other markets and we look forward to growing this initiative.



"The work being done through the Good Neighbor Plus program has been exceptionally successful and is a testament to how the government and the private sector can partner to address critical issues such as housing. The opportunity to increase homeownership and provide access to it for the residents of Hartford through this program will benefit the City for years to come. I am very proud of this effort and was happy to be part of its creation."

**Former City of Hartford
Treasurer, The Honorable
Adam M. Cloud**





"Liberty Bank's credit facilities have allowed us to substantially monetize our assets, well-positioning BGV for the opportunities that lie ahead. The Bank's creative and customer-centric approach is a perfect fit for BGV and we could not be more appreciative of our continued partnership."

Michael Millisor

RESORT LENDING - BRECKENRIDGE, COLORADO

Breckenridge Grand Vacation:

A Partnership Driven By Shared Values, One-of-a-Kind Experiences and Cultures of Excellence

A benefit of having a Resort Finance business line is the opportunity it provides to meet exceptional companies and people across the country. Breckenridge Grand Vacations, located in Colorado, is one example. The enterprise rose from humble beginnings in 1984 when Michael Millisor, later joined by his brother Rob, chose to convert his father's stalled condominium project into a timeshare resort. Now, they are a premier timeshare developer, constructing three additional elite-quality resorts with 30,000+ owners and nearly 700 employees.

But their focus is beyond the numbers, growth and financial wealth. BGV measures its success by the positive impact its company has on people, planet and prosperity. BGV's purpose is to create smiles with a mission statement of: *"Our Family Commitment: Always Grand Vacations!"* This dedication to the ultimate vacation experience is evidenced in many ways, including about 80 industry awards since 2016 such as the 2020 Ace Project of Excellence Winner to BGV's newest resort, Grand Colorado on Peak 8.

Success has not come without loss and sadly the BGV family suffered a terrible tragedy in 2015 when founder Rob Millisor passed away while on a humanitarian mission to Nepal. Following this, Michael Dudick stepped up to join Mike Millisor

as BGV's principal owners and they redoubled their philanthropic efforts. BGV Gives, their charitable arm and foundation, was created to honor Rob's legacy and passion for giving back. One of its premier fundraisers is the Rob Millisor Heart Health Walk, which Liberty sponsors and attends annually.

Liberty Bank has enjoyed a nearly 25-year relationship with BGV, starting when we purchased another lender's loan during the construction of their Grand Timber Lodge, the first of their locations created specifically as a timeshare resort.

By their second and third projects, the Grand Lodge on Peak 7 and Grand Colorado on Peak 8, we had a flourishing direct lending relationship. This encompasses financing, inventory and construction lending as well as depository services for homeowner associations.



"It's been apparent that the values and culture of BGV mirrors ours at Liberty Bank. Providing customers with exceptional service and positive experiences, giving to local communities through dollars and volunteerism, and being voted as Top Workplaces by our teammates, shows that our corporate priorities aligned since day one," stated Don Peruta, SVP, Resort Finance Manager. "These similarities reinforce our relationship each year and with a fourth project in the planning stage, it will only get bigger and stronger!"



Max Hospitality:

Building Strong Banking Relationships; Strategically Growing Together

In May 2021, Rich Rosenthal, CEO and founding member of Max Restaurant Group, announced his retirement, which officially transpired in early 2022. Rich approached our team to pursue lending opportunities to finance the switch over of his shares to his partners Scott Smith and Steven Abrams.

Right from the start, Rich was in good hands with the Liberty Team, working closely to help ensure a smooth transition and position Max Hospitality for future success. Liberty provided the financing for the full deal during this transition of ownership and we are credited with being an 'outstanding partner' because our team has confidence in their growth. Not only did our teams form a strong, personalized relationship as banking and business partners, but also as true friends, and the relationship continues to foster.

Following the closing, Scott became the new CEO and President of Max Hospitality, and Steven now takes on the role of Senior VP and COO. Throughout the loan process, they praised David Glidden, President and

CEO, Stephen Roche, Commercial Lending Greater Hartford Market President, and the entire team for their tireless work to ensure the deal was done in a timely fashion and with superior customer service. "Not only does the Liberty team know banking, they understand business, and most importantly, our business," said Steven. "They provided guidance during every step of the transaction and did everything possible to simplify and facilitate the lending process."

For over 35 years, Max Restaurant Group - now called Max Hospitality - has shaped the Connecticut restaurant industry. They've created hundreds of jobs and opened a collection of restaurants throughout Connecticut, Massachusetts and Florida. Today, Max Hospitality has ten independent restaurants, including a catering sector of the business. They currently employ about 900 teammates.

As Max Hospitality experiences steady growth, Liberty Bank will be by their side whenever they need additional support to expand on their business model.



"We are lucky to have Liberty as our partner; it's a relationship we take pride in and treasure. Our team can wholeheartedly rely on Liberty as we strategically grow together and further our mission," said Scott. "We work very well together and our banking services, including cash management, wire transfers and more, are seamless and reliable."

Steven Abrams & Scott Smith





"I am extremely satisfied and confident that Liberty Bank comprehends our business needs. They are attentive to our requirements and have demonstrated the ability to take swift action without sacrificing quality or service. Our relationship is truly community-oriented, providing ample opportunities to support local nonprofits and the commercial market."

Bruce Mandell

GREATER HARTFORD

Data Mail: A Community-Minded Partnership Dedicated to Investing in our Future

When looking for a new banking partner, Bruce Mandell was eager to connect with David Glidden, President and CEO, and long-time friend, Dan Matos, General Counsel, to discuss our respective businesses and goals. Shortly thereafter, Bruce met with members of our Hartford Commercial Loan Production Office to explore partnership opportunities in greater depth.

"The Liberty team has the strength to handle our growth needs and they believe in our mission," said Bruce. "Transitioning to Liberty was seamless and flawless, helping us advance our company economically through great banking service and products."

Data-Mail is a full service direct marketing firm specializing in data analytics, creative services, high-quality litho printing, digital personalization, envelope manufacturing, and traditional letter shop capabilities. Founded in 1971 by Andy and Joyce Mandell, the company is headquartered in Newington, Connecticut, and is still deeply rooted in the local community. Today, it is managed by their two sons, Bruce and Mark Mandell, and son-in-law, Scott Braunstein.



Additionally, Liberty's partnership with Data-Mail also extends to the Hartford Athletic whose home games are played at Trinity Health Stadium in our capital city. We have joined forces to better our community by leading volunteer projects, such as city clean ups in Hartford, in addition to hosting events that promote our financial literacy programs and giving back through the Blue & Green Foundation.



With over 50 years of experience, Data-Mail has provided support to some of the largest direct marketers in the nation, serving a diverse range of industries including Fortune 500 companies in the financial services, retail, publishing, healthcare, insurance and non-profit sectors. The company spans over 500,000 square feet of space and has the capability to produce over six million pieces of mail per day.

Data-Mail continues to expand as one of the largest print and mail producers in the country, with a workforce of over 1,000 employees. Similar to our values, they prioritize investing in their team by hiring top industry professionals and delivering exceptional customer experiences. Data-Mail's success has enabled its owners to give back locally, aligning with our brand promise of creating stronger communities. In 2018, Bruce Mandell collaborated with the City of Hartford, Hartford Foundation for Public Giving, and other organizations to establish and chair Hartford Athletic, Connecticut's professional soccer team. Two years later, they launched the Blue & Green Foundation to improve the quality of life for underserved populations and youth.



As a valued partner, Data-Mail now benefits from commercial loans, a commercial mortgage, a line of credit, and deposit accounts, while taking advantage of our cash management suite to improve day-to-day business management.

MASSACHUSETTS

Excel Dryer: A Partnership That's Green in Nature

Denis Gagnon, President and Founder of Excel Dryer, Inc. in East Longmeadow, Massachusetts, takes pride in his company's 'Made in USA Certified' designation and the environmental sustainability of its product. His passion for 'going green' has not only created the world's top-selling hand dryer, but it has also been instrumental in establishing the best energy-efficient product on the market.

Denis acquired the company in 1997 and has since established a reputation of being a leader in the industry, accomplishing many firsts. Working closely with his wife Nancy, son Bill, and expert engineers, he revolutionized the industry in 2001 with the patented technology for XLERATOR®. This line of electric, touchless, high-speed, energy efficient hand dryers is both hygienic and cost-effective, doing away with paper towels in thousands of public restrooms across the United States and Internationally.

Our President and CEO, David Glidden, and Commercial Lending Senior Relationship Manager, Jeffrey Sattler, share a long history with Denis through their support of local nonprofits. When Denis heard that we would be expanding into Western Massachusetts, he was very interested to see what Liberty Bank had to offer.



Jeffrey invited Tony Liberopoulos, Massachusetts Market President, and Timothy Pereira, Portfolio Manager, to a meeting with Denis when they explored Excel Dryer's short and long-term financial needs and discussed the full capabilities of Liberty Bank. This included details about our deposit services, commercial mortgages, working capital line of credits, home equity options, and cash management for business.

Denis and his team were pleased to discover how Liberty was the perfect fit to help Excel Dryer continue its impressive growth. And while we are still in the early ages of the partnership, Excel has a revolving line of credit, commercial real estate mortgage, and term loan, among other opportunities in the works.

The solutions provided by Liberty will strategically support Excel's expansion and its investments in new innovative products.

"The Liberty team appreciates and understands our business objectives while providing a personalized touch. It's been a refreshing experience so far, and I am truly impressed with the size and financial strength of the Bank. They are more than capable of meeting our current and future needs. We could not be happier with the decision to move over our finances and lending relationship to Liberty."

Denis Gagnon



Connecticut Hospice:

Helping to Restore an Internationally-Recognized Home & Inpatient Hospice Care Organization

Today, Connecticut Hospice is continuing to set the standard for home and inpatient hospice and palliative treatment. Back in 2020 during the height of the pandemic, Connecticut Hospice was facing its own internal challenges and needed the backing of a reliable banking partner. The team was experiencing a dramatic shift in leadership and management of the facility and was at risk of closing its doors. The new Connecticut Hospice President and CEO, Barbara Pearce, had a longstanding relationship with our Commercial Lending Market President in Greater New Haven, Jeff Hubbard. She reached out to Jeff for his guidance to address the organization's financial and functional burdens and find strategic solutions for working together to make Connecticut Hospice 'bankable' once again.

The Connecticut Hospice is an internationally-known home and inpatient hospice care organization that was established in 1974 and is a registered nonprofit and licensed hospital that provides end-of-life care. It operates a 20-year-old, 52-bed facility and offers expert care 24 hours a day, seven days a week.



With Liberty, its major priority was to receive lending for help with payroll, technology, and overall operations to continue doing its important work.

Jeff and his team invested time and resources to better understand their obstacles, needs, and hopes for the future while reinforcing our mission *to improve the lives of our customers, teammates and communities for generations to come*. Barbara credited our Liberty team with also "believing in Connecticut Hospice's mission and what we are working to achieve."

Following the conversations, Connecticut Hospice worked closely with our Branford Branch to open deposit accounts. In addition to checking and health savings accounts, the partnership also consists of a line of credit to help with working capital and capital purchases, a term loan, a forgivable Paycheck Protection Program (PPP) loan, and cash management services.



"Liberty's team is nothing short of outstanding. Their abilities to understand the vast changes taking place at Connecticut Hospice made all the difference in providing an exceptional and over-the-top customer service. I applaud them for partnering with us during this significant transition. Without their confidence, we would not be able to stay afloat as a leading healthcare institution and focus on what matters most - helping our patients with the best care they deserve and our staff members feel supported and empowered."

Barbara Pearce



Belfonti Companies:

A Partnership That's Helping Our Community Grow

Michael Belfonti chose to establish a relationship with Liberty Bank because he was seeking a local banking partner who could help him reach his goals and provide a personalized banking experience built on mutual trust and respect. He began developing projects in and around Liberty's branch network, and the Bank was eager to become a lending partner on some of these exciting new local projects.

"I have been very satisfied with the wonderful partnership I now have with the Liberty team, especially under the leadership of Chris Arnold, Commercial Real Estate Manager, and Christa Smith, Senior CRE Loan Officer," said Mr. Belfonti. "In addition to opening multiple accounts, we have closed several loans with the Bank on residential and commercial real estate developments in Cromwell, Litchfield and, most recently, Rocky Hill, Connecticut. Liberty Bank has exemplified professionalism, honesty and integrity in all its dealings with our company," he added.

Liberty provided a loan for the construction of Belfonti's Hunter's Chase condominium project in Litchfield. We also



provided a loan to Belfonti for the Landon of Cromwell, a newly-constructed 160-unit luxury apartment complex. The Landon is located at a site which formerly was used as an Integrated Fire Control Facility for the U.S. Military NIKE missile defense system during the 1960s and 1970s. When Belfonti first acquired the site, it contained several dilapidated buildings that were contaminated with asbestos and other toxic chemicals that had to be categorized as bulk hazardous waste. Before construction began, this unsafe material was removed at a cost upwards of one million dollars.

The latest loan provided to Belfonti by Liberty is for a large construction, mixed-use project in Rocky Hill, called Kelson Row of Rocky Hill, which will include 213 luxury apartment homes and about 20,000 square feet of commercial/retail space. Approximately 10% of the residential units will have a workforce

housing component. The loan included the complexity of a brownfield grant from the State of Connecticut in connection with the abatement and demolition of the former 250,000 square foot Ames headquarters building. "The Liberty team showed a keen understanding of all aspects of this complex loan transaction," said Mr. Belfonti, "and I'm already looking to them for funding on our next deal."

Headquartered in Hamden, Connecticut, Belfonti Companies is a real estate investment and development company that has acquired and developed assets across the United States and internationally. The group's portfolio currently includes residential apartment complexes, office buildings, retail centers, and industrial parks. The company was founded by Michael Belfonti, who currently serves as its President and CEO.



"I have been very satisfied with the wonderful partnership I now have with the Liberty team, especially under the leadership of Chris Arnold, Commercial Real Estate Manager, and Christa Smith, Senior CRE Loan Officer. Liberty Bank has exemplified professionalism, honesty and integrity in all its dealings with our company,"

Michael Belfonti

Sweet Harmony: A Banking Partnership to Meet Immediate and Future Goals

For many years, Sweet Harmony Café & Bakery has been a popular stop on Main Street in Middletown.

In May 2022 after a successful 20 years, the former owners were preparing to sell the business. Pastry chefs Sarah Jones and Emily Ventura, two young, aspiring entrepreneurs, stumbled across the information online and immediately took action to learn more. While they worked out the deal to acquire Sweet Harmony, the weeks and months that followed were some of the most challenging, yet rewarding times. As soon-to-be new small business owners, they needed a loan to keep the business alive and purchase it. Resulting from a recommendation by the previous owners, Sarah and Emily approached Liberty Bank for help.

Sweet Harmony is located just steps from our Main Office Branch in the heart of downtown Middletown. Sebastian (Seb) Liseo, Business Banking Officer, and Branch Manager Izabela Olechowska,



met with Sarah and Emily to hear about their goals and better understand their vision. They were also asked to develop a business plan to go along with their loan application. Soon after applying, Liberty Bank was able to meet their financing needs, lending more than \$157,000 to start their business. "Seb was super responsive the entire time and he kept rooting for us," said Sarah and Emily. "He did everything in his power to make the process easy and get us the information we needed in a timely fashion."

To date, Sweet Harmony is using the loan for their overall operations, improved equipment, rent, and basic renovations.

Sarah and Emily met about five years ago working as professional pastry chefs for a large corporation and have talked about opening a bakery together ever since. In part, thanks to Liberty's partnership, Sweet Harmony is open six days a week, offering a range of local artisanal coffee and espresso products, in addition to freshly prepared bakery and pastry products, breakfast, lunch and catering.

Sarah and Emily look forward to furthering their dreams and finding new ways to partner with the Liberty Bank team and our Main St. Middletown Branch. They have with plans to hire a full staff, purchase additional equipment, and expand their hours.



"Everyone at Liberty is great and always helpful. This loan was the number one thing we needed to move forward. The process was smooth and our experience with Liberty was the least stressful part of opening a small business. The team went above and beyond."

Emily Ventura & Sarah Jones



SMALL BUSINESS - NEW BRITAIN

Swiss Pro CNC:

Growing Together with Great Service and a Shared Purpose

Swiss Pro CNC successfully started its operations in October 2021 as a brand new small business located in New Britain. It was founded by Anthony (Tony) Bernacchi and Nathan Waldron after purchasing their first machine tool a month prior. Swiss Pro has quickly earned an excellent reputation for delivering high-quality products and top-notch customer service. Partnering with all kinds of industries, such as the medical field and aerospace companies, customers heavily rely on Swiss Pro to provide mission-critical parts that keep their businesses running safely and properly.

Prior to starting the business, Tony worked in manufacturing for 20+ years, employed as an engineer for various corporations and building solid relationships with companies and suppliers. He reached out to Nathan, a close friend, with the idea to open Swiss Pro together. Nathan's background is in the medical industry, working on software and medical implementation, before transitioning into software engineering and computer science. This outstanding duo has inspired each other since day one and because of success early on, Tony is able to work full-time at Swiss Pro. Together, Tony and Nathan are laser-focused on the health and growth of the business, investing much of their own profits back into the company.

When seeking a loan, they were referred to Tony Rossley, Business Banking Officer, by a contact at the Connecticut Small Business Development Center (SBDC). Liberty financed their first manufacturing machine and about a year later, Swiss Pro was near capacity. They were seeking a second piece of equipment to operate their rapidly developing business, meet the growing demand, and take on new clientele. Once again, Liberty delivered with another loan suited to fit their needs.

Right away, they both could sense the passion Tony R. had for working with them. "Liberty has great people. Tony R. was always willing to assist and point us in the right direction for the questions we needed answered." This included partnering with Damaris Garcia, New Haven Branch Manager, to improve the financial well-being of their young, growing business through the support of additional products and services.

Today, Tony and Nathan have very high expectations for buying a building soon and purchasing more manufacturing equipment by end of 2023. Swiss Pro will count on Liberty's support once again when they are ready for the next big leap.

"Tony R. is well versed to help new small business owners meet their goals. He was supportive, responsive and knowledgeable, providing very friendly service. He allowed us to stay on track with the paperwork in order to get the funding timely and seamlessly while finding the best solutions for our business."

Nathan Waldron & Anthony Bernacchi



Florence Gojuk of Wallingford:

A Personalized and Seamless Banking Experience in a Welcoming Environment

In October of 2022, Florence Gojuk stopped by our North Haven Branch. She was shopping around for a new financial partner after being with her previous bank for 27 years. While she was eager for an improved all around banking experience, Florence was looking for comparable products and services. And because of many rave reviews by her family and friends, she decided to give Liberty a try.

From the minute Florence walked into the branch, she knew Liberty was different. She felt welcomed with open arms and taken care of right away. Florence was immediately greeted by Universal Banker, Sahily Diez De Andino and shortly after, Sahily invited Florence into her office for further dialogue. Then, after getting to know each other on a personal level, Florence shared her needs and expectations for the banking relationship. In return, Sahily assured her that she would make the switch to Liberty smooth and simple.

Florence needed 12 accounts, including those for her real estate business and rental properties, plus two personal lines of credit and a Home Equity Line of Credit. She was overjoyed with the meticulous attention to detail, and straight-forward transparency, plus Sahily's patience and efforts to fulfill her requests without hesitation. The next day, Florence and her husband came into the branch and were pleased to learn that the new accounts were perfectly opened by Sahily and ready for her to use.

Sahily also discovered that Florence had investments with another bank along with her pension and retirement funds. To keep her investments locally based, Florence agreed to meet Erika Pape, a Raymond James Financial Advisor at Liberty Bank Investment Services (LBIS). Following a successful and insightful discussion about the opportunities and options we offer, Florence transferred her investments and retirement accounts to LBIS.

Florence looks forward to other opportunities with Liberty as we holistically continue to help her meet financial goals and provide community banking at its finest.



"I was very impressed with how efficient it was to open my accounts and, more importantly, Sahily, Erika, Lisa and the entire team went above and beyond to ensure I was completely satisfied each step of the way; they have my full confidence. Now, I see why everyone loves this bank and I cannot say enough wonderful things about my one-of-a-kind experiences. I will continue to refer more friends and family to Liberty."

Florence Gojuk



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2022 Annual Report



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