

**Officers of
The Honesdale National Bank**

William Schweighofer.....	<i>Chairman of the Board</i>
John P. Burlein.....	<i>Vice Chairman</i>
David E. Raven.....	<i>President and Chief Executive Officer</i>
Marcele R. Swingle.....	<i>Executive Vice President</i>
Raymond J. Ceccotti.....	<i>Senior Vice President</i>
Christopher T. Bresset.....	<i>Vice President</i>
Katherine M. Bryant.....	<i>Vice President</i>
Christopher T. Cook.....	<i>Vice President</i>
Charles D. Curtin.....	<i>Vice President</i>
Kathleen Enslin.....	<i>Vice President</i>
Catherine Ferraro.....	<i>Vice President</i>
Sean A. Finan.....	<i>Vice President</i>
Gregory G. Gula.....	<i>Vice President</i>
Stephen A. Homza.....	<i>Vice President</i>
Jennifer Jaycox.....	<i>Vice President</i>
Cynthia M. Motichka.....	<i>Vice President</i>
James V. Musto.....	<i>Vice President</i>
Elizabeth C. Nagy.....	<i>Vice President</i>
Michael E. Rollison.....	<i>Vice President</i>
Ralph E. Scartelli.....	<i>Vice President</i>
Ronald M. Sebastianelli.....	<i>Vice President</i>
Richard C. Simmers.....	<i>Vice President</i>
Richard M. Soden.....	<i>Vice President</i>
Luke W. Woodmansee.....	<i>Vice President</i>
Vicky Bryant.....	<i>Assistant Vice President</i>
Nicholas D'Alberto.....	<i>Assistant Vice President</i>
Karen A. Decker.....	<i>Assistant Vice President</i>
Lisa A. Dowse.....	<i>Assistant Vice President</i>
Robert B. Ferraro.....	<i>Assistant Vice President</i>
Laurie Harrington.....	<i>Assistant Vice President</i>
Elizabeth Hazen.....	<i>Assistant Vice President</i>
Linda A. Miller.....	<i>Assistant Vice President</i>
Sharon Pryharski.....	<i>Assistant Vice President</i>
Donna Rinehimer.....	<i>Assistant Vice President</i>
Melissa Rushworth.....	<i>Assistant Vice President</i>
Paulette Straka.....	<i>Assistant Vice President</i>
Brian P. Wilken.....	<i>Assistant Vice President</i>
Lacey P. Churmblo.....	<i>Accounting Officer</i>
Lisa S. Bonham.....	<i>Assistant Trust Officer</i>
Beverly A. Simons.....	<i>Branch Manager/Loan Officer</i>
Randy Donovan.....	<i>Commercial Loan Officer I</i>
Kevin Colgan.....	<i>Fraud/Security Officer</i>
John Conte III.....	<i>Loan Officer</i>
Mary Ann Risboskin.....	<i>Loan Officer</i>



The Honesdale National Bank

800-HNB-9515 • www.hnbbank.bank

Corporate Center

724 Main Street, Honesdale, PA
570-253-3355

Honesdale

733 Main Street 570-253-3355
1207 Texas Palmyra Hwy. 570-253-5991

Clarks Summit

651 Northern Boulevard 570-587-2274

Eynon

202 Betty Street 570-876-1079

Forest City

619 Main Street 570-785-2274

Hallstead Loan Production Office

705 Main Street 570-879-2274

Hamlin

559 Hamlin Highway 570-689-1922

Kingston

786 Wyoming Avenue 570-283-6900

Lackawaxen

100 LCPL Jacob Beisel Road 570-685-1000

Lakewood

18 Como Road 570-798-2399

Lake Wallenpaupack

2547 Route 6 570-226-8300

Montdale

13 Chapman Lake Road 570-254-2274

HNB Mortgage Center

38 N. Franklin Street, Wilkes-Barre, PA
800-426-4884 • 570-826-1800

24-Hour Telephone Banking

570-253-4817 • 1-888-HNB-9773

Email

hnbbank.com

**HONAT BANCORP, INC.
AND SUBSIDIARY**

HONESDALE, PA



• DIRECTORS •

Alfred D. Beck
John P. Burlein
Michael W. Cavage
Roger L. Dirlam
Robert C. Grimm
Charles H. Jurgensen
Paul M. Meagher
Kurt I. Propst
David E. Raven
William Schweighofer

• OFFICERS •

William Schweighofer

Chairman of the Board

John P. Burlein

Vice Chairman

David E. Raven

President & Chief Executive Officer

Marcele R. Swingle

Secretary

Katherine M. Bryant

Treasurer

For Quarter Ended

September 30, 2019

Honat Bancorp, Inc.
Consolidated Balance Sheets (Unaudited)

	September 30th	
	2019	2018
	(In Thousands, except Share and Per Share Data)	
Assets		
Cash and due from banks	\$ 14,780	\$ 9,642
Interest-bearing deposits	11,762	1,012
Cash and cash equivalents	<u>26,542</u>	<u>10,654</u>
Securities available for sale	108,644	99,610
Fed funds sold	9,000	8,008
Equity securities at fair value	419	477
Mortgage loans held for sale	1,483	547
Loans receivable, net of allowance		
for loan losses 2019: \$8,975; 2018: \$9,237	519,281	487,160
Investment in restricted stock, at cost	566	825
Bank premises and equipment, net	7,767	7,684
Accrued interest receivable	2,221	2,151
Investment in life insurance	20,559	20,058
Other assets	10,081	9,248
Total Assets	<u>\$ 706,563</u>	<u>\$ 646,422</u>
	Liabilities and Stockholders' Equity	
Liabilities		
Deposits		
Non-interest-bearing	\$ 174,834	\$ 156,667
Interest-bearing	415,281	374,641
Total Deposits	<u>590,115</u>	<u>531,308</u>
Short Term Borrowings	0	7,270
Accrued interest payable	1,394	727
Other liabilities	9,885	8,612
Total Liabilities	<u>601,394</u>	<u>547,917</u>
Stockholders' Equity		
Common stock, par value \$.20 per share; authorized 5,000,000 shares; issued 1,800,000 shares; outstanding 2019 and 2018: 1,471,286 and 1,481,136	360	360
Surplus	1,015	1,015
Retained earnings	113,425	107,143
Accumulated other comprehensive income	1,226	(209)
Treasury stock, at cost, 2019 and 2018: 328,714 and 318,864	(10,857)	(9,804)
Total Stockholders' Equity	<u>105,169</u>	<u>98,505</u>
Total Liabilities and Stockholders' Equity	<u>\$ 706,563</u>	<u>\$ 646,422</u>

Honat Bancorp, Inc.
Consolidated Statements of Income (Unaudited)

	Period Ended September 30th,	
	2019	2018
	(In Thousands)	
Interest Income		
Loans receivable, including fees	\$ 19,951	\$ 17,578
Securities:		
Taxable	834	695
Tax exempt	1,286	1,391
Other	187	41
Total Interest Income	<u>22,258</u>	<u>19,705</u>
Interest Expense		
Deposits	3,018	1,619
Other	76	52
Total Interest Expense	<u>3,094</u>	<u>1,671</u>
Net Interest Income	<u>19,164</u>	<u>18,034</u>
Provision for Loan Losses	<u>1,400</u>	<u>650</u>
Net Interest Income after Provision for Loan Losses	<u>17,764</u>	<u>17,384</u>
Other Income		
Customer service fees	1,587	1,493
Mortgage banking activities	808	535
Income from fiduciary accounts	395	380
Gain on equity securities	65	22
Bank-owned life insurance	346	352
Other	277	559
Total Other Income	<u>3,478</u>	<u>3,341</u>
Other Expenses		
Salaries and wages	5,887	5,289
Employee benefits	2,691	2,532
Occupancy	1,042	1,019
Data processing	591	509
Furniture and equipment	461	409
Advertising and promotion	340	313
Legal and professional	305	322
Donations	231	242
State tax	588	554
FDIC insurance premium	85	134
Other	1,682	1,907
Total Other Expenses	<u>13,903</u>	<u>13,230</u>
Income Before Income Tax	<u>7,339</u>	<u>7,495</u>
Federal Income Tax Expense	<u>863</u>	<u>1,067</u>
Net Income	<u>\$ 6,476</u>	<u>\$ 6,428</u>