



**FOR IMMEDIATE RELEASE**

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## Union Bank Receives “Outstanding” Rating from CRA Examination

**Morrisville, VT** – The Federal Deposit Insurance Corporation (FDIC) periodically evaluates thousands of banks across the country to determine how well their lending practices contribute to the vibrancy of local communities. Historically, only one in twenty of participating banks earn the coveted “Outstanding” rating which is reserved for banks that most effectively meet the credit needs of their local communities.

In its most recent examination by regulatory agencies, Union Bank again received an “outstanding” rating for its compliance with the Community Reinvestment Act (CRA). The FDIC report states, “An institution in this group has an outstanding record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The rating is based on the results of two performance tests, the Lending Test and the Community Development Test.” Union Bank had an “excellent penetration among home mortgage loan customers of different incomes, while the banks market share ranking among low- to moderate-income borrowers was excellent”. In addition, the Bank’s community development performance demonstrates “an excellent responsiveness to the community development needs of its combined assessment area, through the provision of community development loans, qualified investments and community development services.”

Three recent examples of Union Bank’s community projects:

- Originated a community development loan to a municipality in the amount of \$2.5 million. Loan proceeds were used to build a new Municipal electric generation facility in Morrisville, VT. The facility provides essential utilities to this underserved geography.
- Invested \$610,848, representing approximately half of the total equity investment for the Woodsville Opera Block Limited Partnership. The project consists of the construction of an apartment building with 34 low-income housing rental units and a commercial unit located in Woodsville, New Hampshire. The partnership consists of Affordable Housing Education & Development, Inc. (AHEAD), and the New Hampshire Housing Finance Authority (NHHFA). The affordable units will primarily benefit low-and moderate- income individuals and families.
- Donated money and staff time to a variety of organizations that focus on community and economic development, education, affordable housing, youth programs, and other health

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and human services. Qualified donations represent 27.5 percent of the total donations extended by the bank. All donations provided significant and tangible benefits to the communities served.

"Union Bank is proud to have the efforts of its staff recognized by the Outstanding rating." states David S. Silverman, Union Bank President and CEO. "In today's challenging economic environment, it has become even more important for banks to fulfill their commitments under the CRA – to invest vital capital to all segments of the communities we serve, including low- and moderate-income areas, and to ensure small businesses receive the funding they need to stay competitive and keep our communities strong. Union is committed to the success of the communities in which we do business, and we are pleased that our efforts to support these communities have been recognized by the FDIC." This puts Union Bank in the unique position of being one of the top banks in the nation both in terms of financial performance and in meeting the credit and economic development needs of the communities which we serve.

Union Bank, a wholly-owned subsidiary of Union Bankshares, Inc. (UNB, traded on the NASDAQ Exchange), has been helping people buy homes and local businesses create jobs in area communities since 1891. Headquartered in Morrisville, VT, Union Bank is a full service bank offering deposit, loan, trust and commercial banking services throughout northern Vermont and northwestern New Hampshire. Union Bank has earned an outstanding reputation for residential lending programs and is an SBA Preferred Lender.

Proud to be one of the few community banks serving Vermont and New Hampshire, Union Bank maintains a strong commitment to traditional banking values. In particular, Union Bank is dedicated to providing genuine customer service and community support, including donations to local nonprofit organizations. These values—combined with financial expertise, quality products and the latest technology—make Union Bank the premier choice for your banking services, both personal and commercial. Union Bank currently maintains 17 banking offices, 1 loan center and 32 ATMs. Member FDIC. Equal Housing Lender.

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