



Peoples NEWS & VIEWS

Newsletter of the Peoples Federal Savings Bank • Summer 2009

Message from the President

Dear Friends,

We have reassured the community that Peoples Federal Savings Bank is financially strong. And, the numbers continue to prove it. For the six-month period ended March 31, 2009, Peoples Federal Savings Bank realized earnings of \$2 million – an increase of 69% from the same period last year.

We have solid cash reserves, with core capital reaching a record \$49.7 million – twice the amount necessary to be considered well capitalized by banking regulators. And for the 50th consecutive quarter, we have earned the 5-Star Superior rating for financial strength from BauerFinancial, Inc., a national, independent bank research firm. The rating places Peoples Federal Savings Bank in an elite group of banks considered Exceptional Performance Banks by the research firm.



The Bank opened \$35 million in new loans during the six-month period, testimony to the fact that we have the strength needed to continue doing business as we have in the past, lending to qualified borrowers as they, and we, manage our way through today's unprecedented economy.

Our total assets also reached record levels of \$447.8 million at March 31, 2009. Our investment portfolio is of the highest quality – we did not invest in securities backed by subprime or other exotic loans.

What do the numbers mean? Simply this: We have the financial strength to satisfy your banking needs – whether you need financing for your home or business, or a secure place for your savings.

Peoples Federal Savings Bank provides the strength of a community bank with a proven record of prudent management and solid financial performance. As always, we're ready to serve you.

Sincerely,

Thomas J. Leetch
President and CEO



Look for "Peep" – our cyber symbol:



When you see "Peep" next to an article, that means you can find additional information on the accompanying subject at our web site, www.pfsb.com.

We have the financial strength to satisfy your banking needs.

IN THIS ISSUE:

- Take us with you on your summer vacation!
- Jumbo mortgages
- The banking hub of Brighton
- Debit card protection
- Go Green!
- FDIC insurance increases

Thomas J. Leetch
President and CEO

Take us on vacation this summer!

Traveling abroad?

Please let us know.

The use of your PeoplesCash MasterMoney Card in certain geographic areas may be flagged as suspicious, and your transactions could be blocked. If we know ahead of time that you will be using the card when you're traveling abroad, we can make sure your transactions go smoothly.

NEED FOREIGN CURRENCY?

Whether you need Euros, Pounds, Yen or Francs, Peoples Federal can help. Save time and money by ordering your foreign currency before you travel. To place your order, simply call us at (617) 254-0707. You can pick up your order at any office in 1-3 business days. Euros are available at our main office in Brighton anytime – just come on by!

Ready for vacation? Before you hit the beach or head for the mountains, stop by Peoples Federal Savings Bank – the perfect summer travel companion, no matter where you're headed. We have everything you need to keep the good times rolling all summer long!

First, pack the PeoplesCash MasterMoney™ and ATM Card for ATM transactions anywhere, and to shop and dine at millions of locations worldwide. Before you go, arrange for direct deposit, so you'll know your money is in your Peoples Federal checking account, no matter where you are. And be sure to avoid ATM surcharges by looking for the SUMSM logo on over 2,900 ATMs!



Want to check your balance from your vacation hideaway? Call our Telephone Banking line, toll free, at (888) 254-7372 or go to www.pfsb.com and get up-to-the-minute info about your account with Online Banking. And remember, you don't have to stick around in order to pay your bills, either. Just use Online Bill Pay to schedule payment of your bills on the date you want them paid.

Then, sit back and relax. You may be on vacation, but Peoples Federal Savings Bank is on the job!

Jumbo Mortgages: we're still thinking

Do you need "extra large" financing or refinancing for your home? If your needs exceed conventional loan guidelines, we have good news. When it comes to Jumbo Mortgages, there is no credit crisis at Peoples Federal Savings Bank. In fact, we can handle mortgages of up to \$1.5 million.

We have Jumbo Mortgages to meet a variety of needs, including both fixed-rate and adjustable-rate options. No matter which financing option you choose, you can count on competitive rates, reasonable fees, and personalized, attentive service that is second to none.

So if your home financing needs have you thinking big, think Peoples Federal Savings Bank. To speak with a Mortgage Representative, stop by or call us today at (617) 254-0707. If you prefer, you can pre-qualify online today at www.pfsb.com.



Peoples Federal: The Banking Hub of Brighton!

It's a wet and windy Wednesday morning, but foot traffic at Peoples Federal's main office at 435 Market Street in Brighton is brisk nevertheless. A young man at the first

teller window requests a Money Order in the amount of \$212.30. A well-dressed businessman chats with the teller at the next window, in a language other than English. A mom with an impatient toddler in tow offers congratulations to Teller #3 on her recent graduation from college. A senior citizen walks slowly across the lobby then gently places assorted canned goods into a box that welcomes food donations for the nearby Sisters of St. Joseph Literacy Connection Food Pantry.

Truth be known, the brief scenario above captures the essence of the Bank itself: A loyal customer base that reflects several generations, all walks of life, and a variety of cultures. A long-standing and trusted resource for local businesses and residents. A mainstay of the community, responsive to the needs of the neighborhood.



Donna Warner
Assistant Vice President,
Main Office Manager

Nothing Like It!

"There's nothing like a neighborhood community bank when it comes to providing a high level of customer service, and we all get a great deal of satisfaction in providing that.

"There is a definite difference, and the result is customer loyalty. We see that here at Peoples Federal every day."

Formerly the branch manager of the Brookline Cooperative Bank, which combined with Peoples Federal in 2007, Donna stepped into her present role in Brighton two years ago. Responsible for day-to-day operations,

she manages a staff of 14, from receptionist and customer service representatives to a full complement of tellers, many of whom are local college students. The diverse staff is able to interact with customers in a variety of languages including French, Chinese, Russian, Cantonese and Spanish.

A Pool of Players

Peoples Federal's Market Street office is literally surrounded by five other name banks within a quarter-mile radius, but that doesn't faze anyone at Peoples.

"We've been right here since 1888, and today we have everything to offer that the larger players do," says Donna.

"The difference is that we have the time – make the time – for our customers, regardless of their account balance. We are dedicated to helping people, and it feels good to do that."

Donna is also proud of the fact that Peoples Federal remains a strong, secure and stable organization despite the recent turmoil in the financial markets.

"Our customers enjoy a high level of comfort knowing that," she adds.



Your Brighton banking team.

A financial institution that cares about its customers, and whose customers care back.

"This is my type of bank," explains Donna Warner, assistant vice president and Main Office branch manager, who has spent nearly three decades in banking and has worked in both small and big bank environments. She much prefers the former.



24/7 DEBIT CARD PROTECTION

We're watching over you!

Did you know that your Peoples Federal Savings Bank debit card is protected all day, every day? This around-the-clock protection is provided by FraudWatch® PLUS, at no cost to you.

FraudWatch PLUS is our way of protecting you against potential debit card fraud. Trained analysts continuously watch for suspicious transaction activity on your card. They'll contact you immediately if they suspect your card is being used fraudulently. So, if you ever get a call from "Fraud Prevention Services," you'll know the FraudWatch PLUS people are doing their job to prevent potential misuse of your card.

Don't have a PeoplesCash card? Visit www.pfsb.com to download an application. You can use your PeoplesCash card to make purchases at restaurants, retail stores, supermarkets – wherever Debit MasterCard® is accepted. So you enjoy credit card convenience without the credit card interest. And, it is also your ATM card!



GO GREEN WITH e-STATEMENTS



Want to save time and save trees? Here's a great way to do both: sign up for e-Statements.

With e-Statements, you can access your monthly banking statements quickly, conveniently and paper-free. No more waiting for statements in the mail – access account activity information, including images of cleared checks, as soon as it's available. And you can say goodbye to those piles of paper statements that need to be stored or shredded.

Plus, with e-Statements you can feel good about doing something to help reduce consumption of natural resources and greenhouse gases, as well as reducing the waste stream. Talk about a "win-win!"

Best of all, e-Statements are easy and convenient. All you need is an Internet connection and a Free Online Banking account. You'll enjoy the added advantage of accessing your account statements, including past statements, anytime, anywhere.

Don't have Online Banking yet? Signing up is fast, easy and free. Register online at www.pfsb.com and enjoy the ultimate in online banking convenience – including free Online Bill Payment.

Sign up for free e-Statements today and make a positive difference for yourself and for the environment.

With e-Statements you can help reduce our consumption of precious natural resources.

Register today at www.pfsb.com.

FDIC insurance: \$250,000 through 2013

Good news for anyone concerned about the safety and security of their bank deposits: the FDIC has extended its temporary increase in depositor coverage from \$100,000 to \$250,000 per depositor through December 31, 2013. This includes all savings accounts, checking accounts, money market accounts, and certificates of deposit (CDs) at Peoples Federal Savings Bank. Note that there has been no change in FDIC insurance limits for self-directed retirement accounts, which were already covered up to \$250,000 per owner.

Rest assured your deposits are safe and sound at Peoples Federal Savings Bank!

Peoples Federal Savings Bank

Allston 229 North Harvard Street
Brighton 435 Market Street
Brookline 264 Washington Street
Jamaica Plain 725 Centre Street
Norwood 61 Lenox Street
West Roxbury 1905 Centre Street

(617) 254-0707

www.pfsb.com

Member FDIC

