



# FIRST NORTHERN BANK

## 98 Years Strong

October 30, 2008

To Our Customers,

The unprecedented changes taking place in the economy and financial services industry are certainly unnerving for most. The purpose of this letter is to provide you with reassurance that First Northern Bank is exceptionally sound and is conducting business as usual.

As an independent local community bank with 98 years of experience forging through all sorts of economic ups and downs, we have the strength to manage through this difficult cycle. First Northern Bank's strong capital base, liquidity position and earnings capacity enable us to deal with market risk exposure while serving our valued customers and supporting our communities.

While no one can truly know when the bottom of this 'recession' will be reached, your bank is well positioned to be part of the solution. We are steadfastly committed to our role in the community --- we look forward to continuing our tradition of forging long-lasting relationships and providing honest guidance and financial services to area businesses and residents. Our time-tested business model and conservative financial services approach has earned First Northern Bank the admiration and trust that is needed in times like this.

The recent legislation increasing FDIC deposit insurance coverage from \$100,000 to \$250,000 per depositor through December 31, 2009 has been a tremendous relief for the public and has gone a long way in restoring public confidence in the banking system. The FDIC insurance fund protects depositors of federally insured banks and savings institutions, like First Northern Bank. In fact, First Northern Bank chose to 'opt-in' on FDIC's unlimited insurance coverage for non-interest bearing accounts --- an added benefit for many of our business customers. It's important to point out that not even one penny of insured deposits has ever been lost by a customer of a federally insured bank. To help explain how many of our customers can be insured far beyond \$250,000, please take a look at the example we have provided with this letter.

On behalf of the entire First Northern Bank employee team, I want you to know we are here for you...we are focused on ensuring that our customers receive the utmost in customer care and financial guidance...to assist you through this troubling economic period.

Thank you for entrusting us with your business. It is truly our privilege to serve you.

Sincerely,

Owen J. Onsum  
President & CEO