



# FIRST NORTHERN BANK

~ CELEBRATING 100 YEARS IN 2010 ~

July 31, 2009

Dear Valued Customers:

Today more than ever, people are seeking peace of mind and trust, particularly when it comes to their financial institution. For nearly 100 years, First Northern Bank has been a pillar of strength in the communities it serves. Since our inception, we have successfully navigated all 12 of our nation's documented economic recessions, as well as The Great Depression. We believe it's this experience that differentiates First Northern Bank from so many banks, credit unions and brokerage houses.

Even in these trying economic times, First Northern continues to thrive as one of the oldest independent community banks in the greater Sacramento region. Our goals and objectives are not driven by Wall Street. We focus on the local economy rather than reaching into unfamiliar markets. Our First Northern offices consist of 11 full service branches throughout Solano, Yolo, Sacramento and Placer counties, two satellite branches in retirement communities in Davis, four Real Estate Loan offices, five Investment & Brokerage Services offices, a Small Business Administration Loan Department and an Asset Management & Trust Department.

Our Bank's Core Values are paramount in every decision we make:

**People First**  
**Absolute Integrity**  
**Zest for Excellence**

Our unwavering commitment to these Values has helped fuel our history of continuous growth and expansion of our services and market areas. We are proud of our past and we are excited about our future.

Other key factors that differentiate First Northern Bank include:

- The use of new technology to make banking faster, more convenient, mobile and secure. First Northern Bank continuously works to stay ahead of its customers' changing expectations. *Online Account Opening will launch in early August!*
- First Northern Bank adheres to a Policy of Independence. While other banks have come and gone over the years, First Northern Bank remains steadfast in its commitment to remaining independent so it can set its own course and make decisions at the local level.
- First Northern Bank is known for reinvesting in the communities it serves. Through volunteerism, monetary contributions, in-kind services, and grant assistance, First Northern Bank is there for the community.
- First Northern's customer deposit base is broad and resilient. We serve a wide range of consumers and business markets throughout the local region. These markets have worked through tough economic challenges before and most have prospered over the long run.
- First Northern hires only the best people, and they stay at the top of their game through ongoing technical and customer service training. We have created a culture that truly motivates employees to perform as if their name was on the door. Currently, over 90% of our full-time employees own Company stock, so chances are our customers are being served by an owner of the Bank. When employees have a vested interest in the success of their company, they understand the importance of customer satisfaction.

- First Northern Bank has made it a priority to do its part to adopt green initiatives to help preserve our earth's natural resources. Hybrid vehicles have been used in the Bank's fleet of courier cars since 2005. Reusable grocery bags are offered to customers as a free gift option with a new checking account. And in 2008, the Bank installed rooftop solar systems on all buildings owned by the Bank. The solar systems are fully operational on four sites: two in Dixon, one in Winters and one in West Sacramento. Over 26,000 square feet (more than a half acre!) of photovoltaic panels will produce over 400,000 kilowatt-hours of usable electricity per year. Over a period of 25 years the systems are estimated to offset 16 million pounds of carbon dioxide, which is equivalent to taking 84 cars off the road for 25 years, or planting 136 acres of trees. You can view just how much electricity the Bank is generating, in real time, and the resulting environmental benefits on the Bank's website under the section called, "First Northern Bank gets greener".

On behalf of the entire First Northern Bank employee team, I want you to know we are committed to helping you, your family and the communities in which we all live and work, get past this recession and on to more prosperous times ahead.

As always, thank you for entrusting us with your business. It is truly our privilege to serve you.

Sincerely,

A handwritten signature in black ink, appearing to read "Owen J. Onsum". The signature is fluid and cursive, with a large initial 'O'.

Owen J. Onsum  
President & CEO