



January 30, 2013

Dear Customers, Friends and Neighbors,

Happy New Year! First Northern Bank has just publicly announced its 2012 financial performance and we are pleased to have reported a year of solid growth across all business lines.

It is clear to see that our reputation for employing knowledgeable and friendly bankers who possess an honest desire to understand their customers' unique financial needs continues to be a differentiator for our Company. And because of the experience and quality of our bankers, coupled with the longevity of our customer relationships, we continue to receive wonderful referrals from those who do business with us. And for that, we are grateful. We do not take those referrals for granted, and will continue to work hard to earn your continued trust and confidence.

As we begin 2013, I want to be sure everyone is in the know about a few new things, in the industry and here at First Northern Bank.

- First off, as a reminder, if you receive a federal payment by paper check, you must switch to electronic payment by March 1, 2013. Details about making this switch can be found at <http://www.godirect.org/>.
- Mortgage rates continue to be at all time lows. If you are thinking about purchasing a home or refinancing your existing mortgage, give us a call, or apply online. Even those who have refinanced in the last couple of years have been glad they looked into it again. First Northern Bank has mortgage loan programs to fit almost all situations...even country home loans on acreage! The Bank offers a Mortgage Rate Watch feature on its website. You can customize the service for the loans and rate movements you want to keep track of – and you'll receive a text or email when your targets are met.
- While the media is still saying that banks are reluctant to lend in the aftermath of the recent financial crisis, I can tell you that at First Northern Bank, **we have money to lend!** And we are dedicated to doing our part in the region to helping our communities and businesses move forward and thrive.
- First Northern has announced the appointment of a new Board Member. Patrick R. Brady, CEO of Sutter Roseville Medical Center joined the Board in January and brings with him many years of experience within the healthcare industry. Pat serves on several community and professional boards throughout the region. We look forward to his leadership and insights, particularly in Placer County region of our market.

Thanks again for your support. It is truly our privilege to serve you.

Best wishes to you and your family,

Sincerely,

Louise A. Walker
President & CEO