



# FIRST NORTHERN BANK

October 27, 2011

Dear Valued Customer:

I don't know about you, but this past quarter sure seemed to fly by! The Bank has been involved in lots of great community events these past few months, and it's been wonderful seeing and interacting with many of our customers out there in our communities.

I think what seems to be top of mind with people currently, because I get asked about this almost on a daily basis is, *'What is First Northern Bank's plan surrounding Free Checking and charging a monthly Debit Card fee?'* *'Will First Northern Bank follow the trend set by the larger banks?'* And, I am pleased to tell folks that the Bank plans to continue offering Free Checking and has no plans of charging a Debit Card fee. We consider Free Checking for consumer and business customers another real differentiator in the marketplace...that, and our legendary Superior Customer Service. We are all about eliminating barriers to banking with us. Sure, it gets more and more difficult to make a profit in this business with all the regulation and reform, but we will work hard to keep our pricing down so banking with First Northern is easy and enjoyable.

I am happy to announce that First Northern Bank was inducted into the prestigious California Agricultural Heritage Club during the California State Fair this year for 100 years of service and support to California's agricultural community. What an honor to be held in such high regard with an elite group of amazing and successful agribusinesses and farming families.

The Bank's Mortgage Real Estate Loan Department is seeing a lot of new business coming in with mortgage rates at 50-year lows. Even if your current mortgage loan exceeds the value of your home, or if you're a first-time homebuyer, we have great loan programs for you! And, we are running a special on new mortgage loans and refinances where if you have your monthly mortgage payment automatically coming out of your First Northern Bank checking account, we'll credit your account \$100 after the first monthly payment posts. You can check out our rates and apply online anytime, or if you prefer, give us a call during business hours at (530) 753-1585 or (800) 682-8648. We encourage our customers to talk with one of our Real Estate Mortgage Representatives to make sure this amazing rate opportunity doesn't pass you by.

In the spirit of saving valuable natural resources the Bank is excited to announce, we hit the 1 million kilowatt mark in generating electricity on September 14<sup>th</sup> with the 1,675 photovoltaic rooftop solar panels installed on bank-owned buildings in 2008. First Northern has generated enough power to: operate 91 homes for one year; avoid generating the gasses that 118 cars would emit over one year; or operate 9,127 60-watt light bulbs for a year. And in the spirit of giving to those less fortunate, in lieu of sending out Holiday Cards this year, the Bank will take that money and gift it to the local food banks.

Thank you for banking with First Northern. It is truly our privilege to serve you.

Sincerely,

Louise A. Walker  
President & CEO