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FOR IMMEDIATE RELEASE

## **First Northern Bank Selects Legacy Capital Management as Sub-Advisor for \$39 Million State of California Loan Guarantee Reserve**

*Portfolio Used to Build Economic Growth in California by Helping Small Business Owners*

Roseville, Calif. (September 12, 2006)—First Northern Bank, an independent community bank established in 1910, has chosen Legacy Capital Management, a Roseville-based privately owned wealth management firm, as their sub-advisor on a recently awarded \$39 million loan guarantee reserve for the State of California.

The state selected First Northern Bank's Asset Management and Trust Department to provide trustee services, and as a sub-advisor to First Northern, Legacy Capital will begin managing the assets in October.

The loan guarantee reserve is important to the state of California's economic growth because the program for which it was established is the Small Business Loan Guarantee Program. Established for minority and women-owned businesses in California, the program provides these small businesses with access to financing and additional opportunities.

"We are pleased to be able to use our Trust Department's expertise to play an even greater role in the economic growth and job creation in California," said Owen J. Onsum, President and CEO of First Northern Bank.

"We're excited to be partnering with First Northern on this very important institutional account," said Joe Milam, president and founder of Legacy Capital Management. "Legacy is dedicated to growing the loan guarantee portfolio through sound investment policy to ensure this valuable program can help as many businesspeople as possible."

Managed by the Business Transportation and Housing Agency (the largest state agency), the Small Business Loan Guarantee Program is administered locally throughout California by 11 Financial Development Corporations. The purpose of the Loan Guarantee Program is to stimulate job creation and retention by providing small businesses with access to financing for which they would ordinarily not qualify. By making loans easier to obtain for motivated businesspeople, it has been instrumental in helping women and minorities establish businesses in the area. Loans are made by banks participating in the program.

According to an evaluation of the program by the University of California, Davis, the businesses receiving guarantees contributed back to the state roughly double what the state invested in them. In

addition, the Loan Guarantee Program is associated with considerable growth in employment in California and these jobs are the basis for large economic impacts. The UC Davis report also concluded that the State Loan Guarantee Program exceeded expectations about the number of jobs and economic impact that can be attributed to the small businesses that received capital and that considerable benefits have accrued to California because of the loan program.

The addition of this account raises Legacy Capital's managed assets to \$210 million.

### **About First Northern Bank**

First Northern Bank, an independent community bank headquartered in Solano County since 1910, serves Solano, Yolo, Sacramento, Placer and the west slope of El Dorado County. First Northern has 11 branches located in Dixon, Davis, West Sacramento, Fairfield, Vacaville, Winters, Woodland, Suisun City, Downtown Sacramento and Roseville. The Bank has real estate lending offices in Davis, Woodland, Vacaville, Roseville, Folsom and El Dorado Hills, and has an SBA Loan Office and full service Trust Department in Sacramento. First Northern also offers non-FDIC insured Investment and Brokerage Services at each branch location. The Bank can be found on the Web at [www.thatsmybank.com](http://www.thatsmybank.com).

### **About Legacy Capital Management**

Legacy Capital Management provides wealth management services to high net worth clients, institutions and select charities across the United States. Legacy Capital Management is an independent, privately owned firm offering a comprehensive set of professional money management services in and around the Sacramento region. Legacy actively manages equity, fixed income and alternative investments for our clients. For more information, visit [www.legacycapitalinc.com](http://www.legacycapitalinc.com) or call 916-783-6200.

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