

Northern California National Bank *Come Grow With Us!*

Volume 1, Number 2

EVP Perspectives



I am excited to have joined such a great team here at Northern California National Bank as the Executive Vice President/Chief Financial Officer. Since joining the bank in April, I've been impressed by the sincere enthusiasm of the staff to be part of making Northern California National Bank a success. The Board of Directors, Shareholders and Customers share the bank's commitment

to be the best bank in town. My family is happy that we have moved to the wonderful city of Chico and Butte County.

Here at Northern California National Bank we offer many unique and flexible deposit products to suit the individual and business needs of our customers. We also offer these other convenient services:

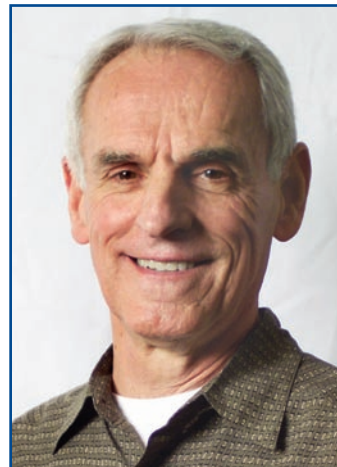
- On-line Banking with Free Bill Pay
- Free Daily Courier Service for Business Customers
- Notary Services
- Walk-up Teller Window which opens at 8:30 a.m.
- Outside 24/7 ATM

Our business customers will soon be able to take advantage of our new suite of electronic payment services, which will be designed to make their banking easier and more convenient for their employees.

I look forward to meeting and getting to know all of our customers and the people in our community. Please stop by our branch at the corner of 7th and Mangrove or give me a call at 899-4214 and I would be happy to assist you with all your banking needs.

Todd Lewis

Todd Lewis
Executive Vice President/Chief Financial Officer



Our most important asset at Northern California National Bank is our customer. Our commitment is to provide the very best quality personalized service in meeting our customers' needs. We may be small in size but we are big

on customer service. We offer you a number of services to benefit your specific needs. If it makes sense and it's good for you and good for the bank, chances are we can do it.

We offer all types of loans, including but not limited to, revolving lines of credit, straight lines of credit, term loans, construction loans, real estate loans, letters of credit and credit cards.

On the deposit side, we offer individual and business checking, savings and money market accounts. We also offer CDs with great rates and IRAs. We are focused on helping your business succeed and offer innovative products to help achieve your financial goals.

We offer all these great products along with our normal friendly and outstanding customer service. Come in, say "hello" and open an account. Or, just stop in and chat. Call me at 899-4214 and I will even come to you!

Joe Drakulic

Joe Drakulic
Executive Vice President/Business Development

Fighting Identity Theft

Nearly 10 million people were victims of identity theft crime last year, and the incident rate is doubling every two to three years. Banks and government officials are encouraging individuals and businesses to take steps now to reduce exposure to these crimes, which cost the average identity theft victim 175 hours of personal time and \$1,500 to correct.

First, make it more difficult for criminals to get your Social Security number (SSN), your birth certificate and all financial account information. Treat these items like valuable jewelry. If you are not using them, don't carry them around. Lock them up. If someone requests this information in person, by phone, mail, E-mail or on a Web site, ask why. Be satisfied with the response before sharing the information.

If your driver's license number is your SSN change it. If the medical insurance card in your wallet shows your SSN or that of another family member, ask the insurer to provide



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Cause Related Marketing

Attract and retain more customers. Increase sales. Enhance visibility while differentiating your company in the marketplace. Motivate employees. Capitalize on niche markets. There are many reasons why small businesses can win big by embracing cause related marketing.

Public opinion research consistently shows effective cause programs can elevate company reputations and brands. No wonder the IEG Sponsorship Report estimates U.S. cause related marketing expenditures will total \$1.4 billion in 2007, up 23 percent since 2005. Activism by shopping is hot. Consumers are passionate about saving the world one credit card transaction at a time.

Need more evidence? Take a look at results from the July 2007 Cone Cause Evolution Survey. For 14 years, Cone has measured US consumer perceptions about company involvement with social issues. The latest

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Come Grow With Us!

Northern California National Bank Officers

John Lucchesi, President/Chief Executive Officer

Gil Stresser, Executive Vice President/Chief Credit Officer

Todd Lewis, Executive Vice President/Chief Financial Officer

Joe Drakulic, Executive Vice President/Business Development

Aaron Murphy, Vice President/Lending

Nancy Mendonca, Assistant Vice President/Customer Service Manager

Maggie Longoria, Assistant Vice President/Operations Supervisor

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Do Five Things Well

Entrepreneurs can enhance their chances for long-term success by doing five things well:

- 1. Be different.** Thousands of shops across America make millions of hand-made donuts every day. Yet Krispy Kreme celebrates two small differences to spark tremendous growth in this mature industry. First, the company replaced walls with glass so children and parents alike could be amazed by Krispy Kreme's automated donut production. Second, every customer is welcomed with a free, fresh glazed donut hot off the line.
- 2. Nurture Sales.** Never forget that 80 percent of your business will come from 20 percent of your customers. Find ways to thank and reward customers year-round. Consider sending personal notes or E-mails. Introducing frequent buyer and/or buyer referral incentives, and/or contests can drive sales, too.
- 3. Create Sizzle.** Many small business owners are so consumed by day-to-day business, that marketing and sales initiatives occur only when business slows. This creates peaks and valleys in volume. Fuel year-round demand by embracing a marketing plan that combines strategic and frequent advertising buys with ongoing public relations work, including press releases, special events, direct mail, E-mail, and other promotions.
- 4. Stick to It.** Particularly when financial and staff resources are focused on business objectives, the trick is to stick to your sales and marketing plans tenaciously. Define specific actions for each week. Qualify potential customers. Communicate value. Refine your offerings and keep building relationships.
- 5. Be Prepared.** Bad things do happen to good businesses. Manage your cash flow to reduce receivables, and be judicious about capital expenses. Keep good records and perform against the plan that enabled you to secure your first business loans. This way you will be well positioned to secure additional financing whenever growth opportunities or temporary downturns may arise. □

Northern California National Bank

As members of the staff of Northern California National Bank, we would like to take this opportunity to invite you to visit our branch and let us introduce you to our variety of business and personal accounts and other services available to our customers. Our staff is very knowledgeable and we consider it a privilege to listen to you, open an account for you, help you meet your financial needs, and join our growing list of satisfied customers. We are located at the corner of 7th Ave. and Mangrove. Customer service is what we are all about.

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1717 Mangrove Ave, Suite 100
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Maggie Longoria
AVP/Operations Supervisor



Angela Franklin
Merchant Teller



a card without SSN. Alternatively, carry a photocopy of the insurance card with the last four digits masked out, along with a medical emergency contact number so a family member could provide the last four SSN digits if necessary.

Given the number of financial statements, loan and credit offers arriving in mail boxes, people interested in preventing thefts that often lead to fraudulent acts should rent P.O. Boxes or have locking boxes at their homes or businesses to receive incoming mail. They also should be careful with outbound mail, being certain not to leave invoice payments in mail boxes where they could be pilfered. Drop payment mailings off at US Postal Service offices or in steel USPS postal boxes. Or, pay bills online using secure Web sites readily identified by the closed lock or unbroken key icons appearing at the bottom right of Web browser pages. Secure pages also are identified as <https://www...> instead of <http://www...>

If you pay bills online or purchase items from secured sites on the Internet, it's best to use one credit card exclusively for Web transactions. The credit card will provide greater personal protection against identity theft than a debit card. Also, by using one card for all online transactions, it will be easier to identify any fraudulent activity that may arise.

Monitor your bank, credit card and other monthly statements. At least once a year, request your credit file from the three major credit bureaus (Experian, 888-397-3742, www.experian.com; Equifax, 800-437-4619, www.Equifax.com; TransUnion, 800-916-8800, www.transunion.com).

If you find any questionable charges on any of these documents, immediately notify the financial institution(s) concerned, as well as the fraud departments of credit bureaus.

Next, file complaints with the Federal Trade Commission (877-438-4338; www.consumer.gov/idtheft/) and with local law enforcement (including police and postal inspectors). Informing these two groups is vitally important — especially since the Identity Theft Clearinghouse reports 60 percent of recent identity theft victims did not notify law enforcement of the identity theft crimes perpetrated against them.

Make no mistake: an identity thief can compromise the quality of your life. Be sure to close any accounts you know or suspect to have been tampered with, and use the ID Theft Affidavit available from the FTC when disputing new unauthorized accounts.



Also, do the following things:

- 1.** Keep a list of account numbers, E-mail and phone contacts for credit cards in a safe place so providers can be contacted immediately if a card is lost or stolen.
- 2.** Do not put Social Security numbers on checks, and close any credit card accounts not being used.
- 3.** Purchase a cross-cut paper shredder and keep track of credit card, debit card and ATM receipts. Either store securely, or dispose receipts after shredding.

- 4.** Shred any credit card, loan, phone or utility offers you receive by mail and decide to reject. After all, when it comes to identity theft, credit card fraud accounts for 33 percent, phone or utilities fraud accounts for 21 percent and loan fraud accounts for 6 percent according to the Identity Theft Data Clearinghouse. Don't give anyone the opportunity to apply for any offer using your name. Also, you can reduce the number of pre-approved credit card offers you receive by calling 888-5OPT OUT (the service will ask for your SSN).

- 5.** Shred old tax documents or bank statements purged from your secured files, after checking with your accountant.

- 6.** Report lost or stolen checks immediately to your bank so payments can be blocked. Also, be on the lookout for deliveries of new checks to make sure none are stolen in transit.

- 7.** Notify your bank of any suspicious phone or E-mail inquiries requesting account information to "award a prize". Remember, when something

sounds too good to be true, it probably is.

- 8.** Closely guard your ATM Personal Identification Number or PIN.

- 9.** If expected bills fail to arrive, don't wait. Inquire.

- 10.** Install a firewall to protect computer(s) from hackers, and change your computer access passwords regularly. Fifty-eight percent of recent consumer contacts associated with identity fraud were via Internet Web sites or by E-mail. Remember to think alphanumeric (one or more numbers in a string of letters) on access codes to fend off code-breaking software.

- 11.** Stop newspaper delivery and put mail on "postal hold" whenever travel takes you away. Be sure to ask the post office to require photo identification for mail pick up.

- 12.** Do business with banks and other companies with effective privacy policies + restricted access to personal information + password protection for online services + encryption software that converts personal data into secure code + cross-cut paper shredders at work stations or locked wastebaskets for shredding transaction slips.



Cone findings for American adults show:

- More than two thirds consider business practices when deciding to buy.
- 85% say they would switch to another company's products or services if a problem with business practices was uncovered.
- 83% say companies have a responsibility to support causes, with 92% noting more positive images for companies supporting causes they care about.
- 83% say they are likely to switch from one brand to another (price and quality being about equal) if the other brand is associated with a good cause.
- 72% wish employers would do more to support a cause or social issue.
- 77% consider company commitment to causes when deciding where to work.

So how does a business determine where to make a difference? Since employees involvement in cause related marketing efforts yields substantial dividends, companies often partner with causes responsive to employee interests. Be careful to align community need, with interests of your target market, with business strengths, and with employee passions. Then, make sure your target market clearly sees what you are doing with a particular nonprofit.

Think strategic alliance. With thousands of deserving nonprofits as possible cause related marketing partners, it's important to select an efficient organization that enjoys substantial goodwill — particularly with your target market — and that understands how to promote its mission and cause related marketing partners. In short, you should know what your investment of treasury, talent and time will yield before you trigger a cause related marketing program with a particular nonprofit. Visit www.guidestar.com or www.charitynavigator.com to identify cause partners your target customers would appreciate for missions and for efficient use of charitable contributions. Then, arrange a few exploratory meetings with worthy nonprofits. Think creatively to launch a program that is a win for people served by your nonprofit partner + a win for people contributing to that nonprofit + a win for your business.



Think signature. It's okay to be an also ran, in a popular cause marketing effort if you derive coat-tail effect from other sponsoring companies, or if you can carve out a niche within a proven event or promotion reaching your target customers. However, cause marketing often delivers greater returns when companies do not share the spotlight.

Think promotion. Will your cause initiative be a media darling? Is it a first of its kind? Is it visually interesting? Are children involved, or are they the beneficiaries? Is it a local story with regional or national impact? News reports can make your cause related marketing program resonate with your target market. □

EYES ON THE PRIZE

Northern California National Bank is pleased to announce a new suite of electronic payment services developed especially for businesses. Electronic transactions are a popular payment solution in today's society and modern technology helps to streamline these payment processes.

Now, through Northern California National Bank, businesses can offer their customers different electronic payment options – direct credit, direct debit, and phone payments.

These services can help businesses increase productivity and cash flow. Electronic payment services can save financial institutions the hassle of check clearing, paperwork and bookkeeping.

With direct credit, businesses can now provide direct deposit of payroll for their employees. With direct debit, businesses can accept one-time payments or set-up recurring payments for their customers. And with phone payments, businesses can now accept payments via the telephone.

For more information on these services, please contact us at 530-879-5900 or info@norcalbank.com





Northern California National Bank

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Don't be a victim of identity theft. Criminals are sifting through garbage, stealing wallets, running Web scams and other cons to steal financial and personal data. Learn how to better protect yourself and your business.

Improve financial performance by doing five things well. Capitalize on growth windows and make progress through temporary market downturns.

Got Cause? Studies consistently show that, when companies help deserving charities with cause related marketing initiatives, customers are more loyal and sales increase. The trick is building a partnership where business and nonprofit leverage strengths. Plus, it's vital for business partners to show exactly what they are doing for the cause.



Come Grow With Us!
is a *Net Worth Journal*
publication for the valued
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