



Dear Valued First National Bank of Northfield Customer,

As we recently announced, Merchants Bank has entered into an agreement to purchase First National Bank of Northfield and we want to share a sense of what this means for you and for Northfield. We strongly believe that Merchants will be a great long-term fit for our customers and also a good steward of the legacy First National has built in Northfield and the surrounding area.

Our two organizations are similar in many ways – community banks with a long history, strong values and a commitment to the communities we serve. Merchants Bank, with headquarters in Winona, Minnesota, will bring its service-first approach to Northfield, while providing broader financial solutions and more advanced technology tools. The acquisition is subject to regulatory approval, and we expect the sale to be finalized sometime this fall. Until then, thank you for choosing First National Bank of Northfield for your banking needs. We value our partnership with you and will do everything we can to earn your business and trust day after day.

As we move closer to the acquisition date, **you can expect to receive correspondence from Merchants Bank regarding the transition.** Please pay close attention to the information, as it will provide complete details on next steps. You are encouraged to review the “Meet Merchants Bank” informational material included with this letter to learn more about the organization. We believe you will understand why First National Bank of Northfield chose this strong regional community bank to be a strategic partner and to serve customers well into the future.

First National Bank of Northfield and Merchants Bank are dedicated to making your transition as seamless as possible. With that in mind, we know that you will have questions. Many of those questions will be answered in the correspondence that you will receive from Merchants Bank in the weeks and months ahead. However, if you have any questions in the meantime, we encourage you to give us a call at First National Bank of Northfield (507-645-5656).

We think you will find that Merchants Bank will be a solid banking partner for you into the future. Thank you for choosing First National Bank of Northfield.

Sincerely,

First National Bank of Northfield

A handwritten signature in black ink, appearing to read "David Shumway".

David Shumway
CEO

Merchants Bank

A handwritten signature in black ink, appearing to read "Greg Evans".

Greg Evans
President & CEO