

To Founders Community Bank Customers and Friends:

October 2008

Recent months have been difficult ones for the nation's economy, leaving many people concerned about the safety and soundness of their financial institution. At Founders Community Bank, we take your concerns very seriously and want to provide you with the following information in an effort to offer some measure of comfort.

- We want you to know that Founders Community Bank continues to maintain a sufficient amount of capital and reserves to be recognized as 'well-capitalized' under bank regulatory guidelines. This is the highest capital rating that a bank can attain under federal & state banking regulations.
- Founders Community Bank has recently been identified as a safe and sound institution by two independent Bank rating systems, Bauer Financial and Bankrate.com. Both have ranked Founders Community Bank in their top tiers. Founders Community Bank was recently rated a five-star "Superior" institution under the Bauer Financial system, the highest ranking that system utilizes. Under the Bankrate.com system the Bank was rated a four-star "Sound" institution. Both ratings placed Founders Community Bank at the top of the ratings for community banks in San Luis Obispo County. More information on these rating systems can be found at www.bauerfinancial.com and www.bankrate.com respectively.
- As part of our commitment to the communities that we serve, Founders Community Bank seeks to provide clear and accurate information about FDIC insurance coverage, even if you are not presently a customer of the Bank. Until December 31, 2009, your interest bearing accounts with us are insured up to \$250,000. In addition, your non-interest bearing transaction accounts are unlimitedly insured. But we feel that it is important to note that your level of deposit insurance coverage may be increased significantly depending on the way you choose to vest your accounts. To learn more on ways to maximize your deposit insurance coverage, we recommend that you view the FDIC's dedicated webpage at <http://www.fdic.gov/deposit/index.html>. As an alternative, you may call or come in to our office and speak with our knowledgeable new accounts representatives, or the Bank's Compliance Officer, Ann Marie Wood. Ann Marie can also be reached directly at awood@fcbslo.com.

We believe in maintaining open communication lines with our customers, especially during these uncertain times. Consequently, we encourage you to take advantage of the resources available to you through Founders Community Bank. We want you to enjoy the best banking experience possible, and in order to do that we know that we must earn your trust and loyalty every day.

If you have any questions, do not hesitate to contact us at (805) 543-6500. You can also email us at mail@fcbslo.com.

Sincerely,

Thomas J. Sherman
Chief Executive Officer
Founders Community Bank

Reese T. Davies
President & Chief Administrative Officer
Founders Community Bank