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July 29, 2013

Dear Shareholder:

The financial performance of First Commerce Bank for the first half of 2013 has exceeded expectations. We are pleased to share with you the financial information as well as discuss current and future activities including the current Capital Offering.

As of June 30, 2013, our total assets were \$266.5 million versus \$194.3 million as of June 30, 2012. This represents a \$72.2 million or 37.2% increase period over period. As of December 2012, total assets were \$226.0 million, thus, indicating a \$40.5 million or 17.9% increase in the first 6 months of 2013.

As of June 30, 2013, net loans were \$229.9 representing a \$76.2 million or 49.6% increase over total net loans at June 30, 2012 and a \$38.2 million or 19.9% increase over year-end 2012 total net loans of \$191.8 million. Total deposits increased \$64.6 million or 39.8% from \$162.5 million as of June 30, 2012 to \$227.1 million as of June 30, 2013. Since December 31, 2012, total deposits increased from \$191.8 million to \$227.1 million representing a \$35.3 million or 18.4% increase.

On June 30, 2013, total capital was \$28.8 million versus \$27.3 million at June 30, 2012, representing a \$1.5 million or 5.5% increase. Compared to December 31, 2012, total capital at June 30, 2013 showed a 4.3% increase.

Net income for the first six months of 2013 was \$1.61 million compared to \$601.4 thousand for the first six months of 2012. This represents a \$1.0 million or 167.1% increase. Net income for the full year of 2012 was \$828.0 thousand.

During the second quarter 2013, your Bank opened its new Operations Center. This location is adjacent to the Corporate Headquarters in Lakewood, N.J. These two locations being together will ensure greater efficiency. With both Lakewood facilities, office space available is expected to service the growth of your Bank for many years to come.

In May of 2013, the Allentown, N.J. Office in Western Monmouth County opened and has also exceeded deposit expectations. By the end of June, there were \$3.7 million in deposits and to date in July deposits exceeded \$6.0 million. Also in June, we began construction at our Teaneck, N.J. location, which should open during September, 2013 and your Bank made branch

application for a site in Englewood, N.J. This branch location should be open during the first quarter, 2014, as it received regulatory approval from the FDIC on July 16, 2013.

As discussed in previous correspondence, your Bank will continue to evaluate branch locations in Freehold, Marlboro/Manalapan and Robbinsville/East Windsor. We have also explored, and will continue to explore, opportunities to bid on other financial institutions. To date, there has not been an opportunity that would enhance franchise value within our strategic plan.

Other strategic initiatives have included the development of other non-interest income alternatives. As these initiatives are approved and implemented, we will inform our shareholders. We continue to expand our SBA Program. Hopefully, during the third quarter we will consummate the purchase of the Closter office which shall have a positive effect on income.

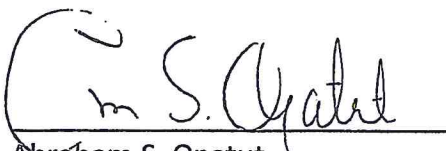
The new Capital Offering was presented to the Shareholders and the Public during May, 2013. The goal is to raise \$7.0 million with an upper limit of \$8.0 million. We wish to share that the Offering has been very well received. We anticipate closing the offering with \$8.0MM. The Offering is expected to be over-subscribed.

The mission of your Bank is to be positioned for future growth and profitability to enhance franchise value. The performance of your Bank has exceeded our initial projections since the re-capitalization of Northern State Bank in December 2010. Growth in assets, loans, deposits, earnings and capital through June 30, 2013 have significantly surpassed expectations.

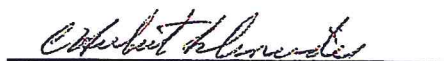
Your Bank has met the most difficult challenges created by the recession of 2009 and 2010. We have increased and sustained profitability while strategically growing the Bank. The Directors, Founders, Shareholders and customers continue to contribute to the positive expansion of your Bank. The employees of your Bank are committed to their professional development and success. Without their energy, honesty and commitment, the Bank would not be the success that we represent to you.

On behalf of the Directors and Staff of First Commerce Bank, we wish to say thank you for your continued trust and confidence.

Very truly yours,



Abraham S. Opatut
Chairman of the Board



C. Herbert Schneider
President & CEO