

STILWELL VALUE PARTNERS, L.P.
111 BROADWAY • 12TH FLOOR
NEW YORK, NY 10006
(212) 269-1551

THE DIRECTORS OF HARVARD ILLINOIS BANCORP, INC. ARE:

Donn L. Claussen, Michael P. Feeney, Steven D. Garrells, John W. Rebhorn,
William D. Schack, Duffield J. Seyller III, Richard L. Walker

March 2, 2012

Dear Fellow HARI Owner,

I am writing to you as a representative of the Bank's largest shareholder. HARI has lost \$2 million over the last five years. Additionally, regulators forced the Bank into a Memorandum of Understanding in 2010 (shortly after the Bank sold shares to the public). The Bank remains restricted by this agreement.

Despite our Bank's poor performance, the CEO, Duffield Seyller, took home an annual \$178,000 at last report. The Board has given him salary increases for the past three years, even when the Bank has lost money.

Over the past half-decade, the Board and Management have not been able to run a profitable bank. Banking in our country is changing, and some community banks as currently configured can not earn a profit. These community banks, like HARI in our opinion, need to be organized into bigger, more efficient structures.

Whether it is the environment, or Management, or the Board, HARI has not, on balance, been able to make profit. Therefore, we believe HARI should seek a stronger community bank as a merger partner. In the upcoming Board election, we will be running a strong, independent candidate who shares these beliefs.

Sincerely,

/s/ Joseph Stilwell
Joseph Stilwell

P.S. If you have any comments, please feel free to contact us at info@stilwellgroup.com or 212.269.1551.