

First Federal of Northern Michigan Bancorp, Inc.  
 Form 4  
 May 24, 2006

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**THOMSON MARTIN A**

2. Issuer Name and Ticker or Trading Symbol  
**First Federal of Northern Michigan Bancorp, Inc. [FFNM]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**100 SOUTH SECOND AVENUE**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**03/14/2006**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Chief Executive Officer**

**ALPENA, MI 49707**

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3)          | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------|
| Common Stock, par value \$0.01 per share | 05/17/2006                           |                                                    | A                              | (A) or (D)<br>8,850<br>(1)                                        | \$ 0 8,850                                                                                    | D                                                        |                                                       |
| Common Stock, par value \$0.01 per share |                                      |                                                    |                                |                                                                   | 4,408                                                                                         | I                                                        | By IRA                                                |
| Common Stock, par value \$0.01 per share |                                      |                                                    |                                |                                                                   | 7,969                                                                                         | I                                                        | By 401(k)                                             |

|                                                   |        |   |                       |
|---------------------------------------------------|--------|---|-----------------------|
| Common<br>Stock, par<br>value \$0.01<br>per share | 29,326 | I | By Trust              |
| Common<br>Stock, par<br>value \$0.01<br>per share | 4,731  | I | By<br>spouse's<br>IRA |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number of<br>Derivative<br>Securities<br>Acquired (A)<br>or Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | Amount<br>or<br>Number<br>of Shares |               |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------|---------------|
|                                                     |                                                                    |                                         |                                                             | Code                                 | V (A) (D)                                                                                                    | Date<br>Exercisable                                            | Expiration<br>Date                                                  | Title                               |               |
| Stock<br>Options                                    | \$ 9.2                                                             | 03/14/2006                              |                                                             | A                                    | 2,500<br>(2)                                                                                                 | 03/14/2007                                                     | 03/14/2016                                                          | Common<br>Stock                     | 2,500<br>(2)  |
| Stock<br>Options                                    | \$ 9.65                                                            | 05/17/2006                              |                                                             | A                                    | 22,100<br>(3)                                                                                                | 05/17/2007                                                     | 05/17/2016                                                          | Common<br>Stock                     | 22,100<br>(3) |
| Stock<br>Options                                    | \$ 7.44                                                            |                                         |                                                             |                                      |                                                                                                              | 03/27/2003                                                     | 03/27/2012                                                          | Common<br>Stock                     | 1,848<br>(4)  |

## Reporting Owners

| Reporting Owner Name / Address                                  | Relationships |           |                         |       |
|-----------------------------------------------------------------|---------------|-----------|-------------------------|-------|
|                                                                 | Director      | 10% Owner | Officer                 | Other |
| THOMSON MARTIN A<br>100 SOUTH SECOND AVENUE<br>ALPENA, MI 49707 | X             |           | Chief Executive Officer |       |

## Signatures

/s/ Martin A.

Thomson

05/24/2006

\_\_Signature of  
Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents shares of restricted stock that vest over a five year period, commencing on May 17, 2006, at the rate of 20% per year.
  - (2) Represents stock options that vest over a five year period, commencing on March 14, 2006, at the rate of 20% per year.
  - (3) Represents stock options that vest over a five year period, commencing on May 17, 2006, at the rate of 20% per year.
  - (4) Represents stock options that vest over a five year period, commencing on March 27, 2002, at the rate of 20% per year.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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