



GRANITE FALLS BANK


THE ADVANTAGE

NEWSLETTER

ISSUE 9 QUARTER 4 2010

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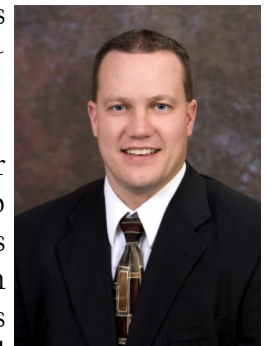


Season's greetings! Another year is soon to come to a close. As I reflect back on a year of wet weather, I am thankful for many things. Late last winter it seemed as though a serious flood was almost certain. We were fortunate that April was dryer than normal and the thaw was drawn out enough as to cause minimal damage compared to what many anticipated. Although the harvest season was a bit of a struggle, I am thankful the farmers were able to harvest their crops with good yields for the most part. In a world with so much uncertainty, I am grateful for the wonderful customers and community members we are fortunate to do business with. Granite Falls Bank was once again named to the American Bankers Association top performing banks list in 2010. When so many financial institutions are dealing with many non-performing assets, regulatory concerns and foreclosures, we've continued to stay strong and grow. Our strong staff, great customers, and disciplined ownership have all contributed to this success.

This past year F&M Bank Minnesota (formerly Farmers & Merchants State Bank of Clarkfield) an affiliate owned by the same ownership group as Granite Falls Bank, purchased locations in Renville and Olivia. We're proud to welcome them to the family. As an affiliate, if you are in need of ATM services in Clarkfield, Renville or Olivia, you are able to stop in any of those locations and use their ATM at no charge. In addition to the acquisition, we have added some additional products such as Online Bill Pay, Electronic Statements and the ability to view check images online.

Many of our farm customers will be excited to hear that we are bringing Ed Usset from the University of Minnesota, to speak about grain marketing. The grain markets have been very volatile this past year and that trend seems to continue. Corn prices have ranged from \$2.85 to over \$5.00 in just a few months. How can a farmer decide when it's time to sell? Let's ask Ed! Previously, Granite Falls Bank has sponsored at Farmers & Merchants State Bank in Clarkfield and Prairie's Edge Casino where he addressed the County Corn and Soybean Growers along with bank and insurance customers. Mark your calendars to attend another opportunity to hear Ed speak. The event will be Thursday January 13th at 10 a.m. at Max's Grill in Olivia. It will last until mid afternoon, with a lunch served around noon. This promises to be insightful as Ed will share some knowledge regarding grain market trends, tools, and how a good marketing plan can help your profitability. Ed has published books on grain marketing, teaches at the University of Minnesota, and instructs at various Ag lending schools across the country.

I invite you to come in and visit with the staff of the Granite Falls Bank for any of your financial needs. From buying a home, business, or farm land; to financing that new car, helping you with an IRA or a Health Savings Account; Granite Falls Bank has a knowledgeable staff to assist you with your banking needs. As we look ahead to 2011, let's all count our blessings and Thank God we live in the greatest country in the world, the United States of America. Merry Christmas and Happy New Year!



Craig Bakkelund
Vice President

Experience the Advantage

Experience the Advantage™ with our full line of banking products and services!

- Bill Pay
- Wire transfers
- ACH Services
- Money Orders
- Gift Cards / Travel Cards
- Free ATM / Debit Cards
- Internet Banking
- Merchant Card Services
- Safe Deposit Boxes
- Night Deposit
- Notary Public
- Ready Reserve
- E-Statements

Experience the Advantage™ with our Loan Department: Home & Personal, Vehicle, Commercial and Ag Loans!

- Mortgages
- Refinance
- Home Equity & Improvement
- Auto Loans
- Real Estate
- Stock Purchase
- Construction
- Operating
- Equipment
- Livestock
- SBA & FSA Authority
- USDA Rural Development



The Granite Falls Bank would like to wish everyone a Safe & Happy Holiday Season! We appreciate your loyalty and will continue to strive to become your primary financial resource.

Thank You to everyone who attended the Granite Falls Bank Open House!

Open House Winners:

- | | |
|-----------------|-------------------|
| Annette Sharkey | Lowell Gustafson |
| Mardell Rand | Alfreida Jacobsen |
| Vikki Bakken | Eileen Pyle |
| Lennis Markgraf | |

JENNIFER KATTEVOLD ~ 9 YEARS OF SERVICE



Jennifer Kattevold

Jennifer is married to Alan Kattevold and resides in Maynard with their 11 yr old son, Miles. Jennifer started work at the Granite Falls Bank in November 2001. Beginning her work as a teller, Jennifer soon became the bank's Bank Secrecy Officer assuring compliance with FDIC regulations. In 2008, Marketing Coordinator was added to her resume. Over time

those roles have come to include the F&M Bank Minnesota locations in Clarkfield, Olivia, and Renville.

In addition to the bank, Jennifer and Alan own and operate Great Frontier Bull Riding Company, a business that produces live bull riding events throughout MN, WI, and her home state of Maine. Their son, when not behind the bucking chutes, is active in the Granite Falls Baseball program and had started his 5th year as a YME Sting Wrestler! He is also a member of the Clara City Boy Scout Troop 269 and plays the tuba

Favorite Book: "Dancing Naked at the Edge of Dawn" by Kris Radish

Favorite Vacation: anytime we can get home to Maine!

Hobbies: I love to garden! I LOVE to cook and entertain! Reading is my escape.

Best Event of 2010: In July we completed construction of our home, which we built ourselves!

Favorite Movie: Pay it Forward, Legends of the Fall, and Last of the Mohicans

Don't Pay for your Gum...

With your H.S.A. checkbook that is!

What is an HSA? (Health Savings Account.)

A health savings account is a tax exempt account that allows you to pay your medical expenses with pre-tax dollars. Distributions from your HSA are tax free. You can claim a tax deduction for contributions to your HSA. Both you and your employer can contribute to your HSA.



How do I get an HSA?

First you need to have a "High Deductible health plan" that is compatible with an HSA. The place to go is to **your local insurance agent.**

Who needs an HSA?

Farmers and small business owners are excellent candidates for an HSA. Contact your tax person to see if it would work for you then call your local insurance person. This is a good tool to use to make the most of your dollars.

We would like to help you understand your options so you can make decisions that are best for you.



Contact the F&M Agency 320-564-2111 or

Email steve@fminsmn.com or jennifer@fminsmn.com

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320-669-4431



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FDIC



Community Involvement



We take great pride in our employees who are so willing to serve our community and feel very fortunate to provide financial resources to many great community projects.



EXPERIENCE THE ADVANTAGE™