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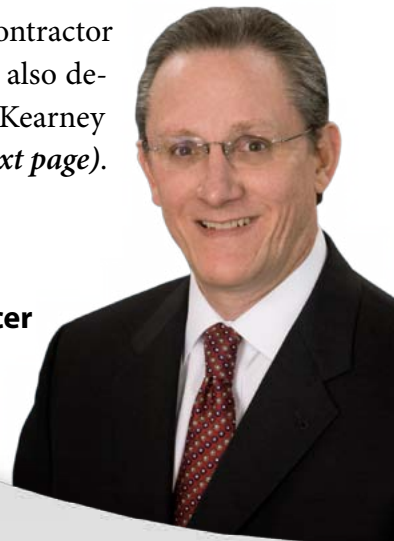


We're Remodeling in Geneva!

Many of you have heard for years that we were considering remodeling our main office in Geneva. Well, the wait is over! Pictured above is the architectural rendition of the remodeled exterior which reflects a historic update of the current building.

We are working with the architect and general contractor that remodeled the Minden Opera House and also designed and built a number of banks in the Kearney and Hastings areas. *(continued on the next page).*

John Wilkins
President and
Chief Executive Officer



CORNER NEWS

FALL 2011



**Ambassador Club
Newsletter Now Inside!**

Contact your local branch at...

Geneva
402-759-3114

Shickley
402-627-2275

Geneva Remodel

(Continued from cover page)

They have done an outstanding job working with us and have designed a space that we feel is best for both our customers and staff.

Our goal is to update our buildings to provide a great environment to serve our customers as well as an efficient and pleasant atmosphere for our staff. We hope to create a building that our customers, the community, our staff, and our family can be proud of. The remodel is another example of the bank's commitment to Geneva and Fillmore County, and is also a reflection of the financial strength and capacity of our bank to serve our customers and communities.

We plan to start construction on the entire project in October. Please be patient with us during construction, and we will do our best to minimize any inconvenience to customers. We'll keep you posted as we move forward with construction!

Debit Card Security

This month we have implemented some large changes to our debit card security program in order to reduce the chance of fraudulent activity. Foreign countries considered dangerous from a fraud perspective are no longer able to make transactions without prior granted permission. This has greatly reduced the amount of debit card fraud.

To ensure safety domestically, though, we need your help. Please check your account activity regularly via online banking. If you plan to travel abroad, notify the bank so that we may prepare your card for usage. If your debit card should be lost or stolen, report it immediately at 1-800-759-3119, or at 1-800-535-8440, after normal banking hours. It only takes a few minutes and will ensure that you do not incur possible losses from fraudulent use.

Michael Merryman
IT and Operations Specialist

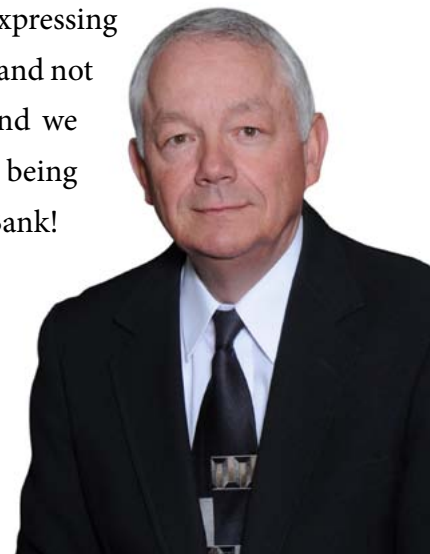
Shickley Update

Hello, to our customers, friends and neighbors. We at the Shickley Branch of the Geneva State Bank would like to thank you for trusting us to provide your banking needs. We know you have other choices, so we really appreciate the opportunity to serve you. The staff here in Shickley, Janet Kempf, Penny Zauha, and myself, are here to assist you with any of your financial needs.

As many of you know Shickley "A Big Little Town" is progressive, and has a reputation for getting things done, so we should not be surprised that a committee has been formed to plan and build a new Community Center. In fact, you can view the plans and a picture at either the Lichti Oil Co. or here at the Geneva State Bank, in Shickley. They are trying to raise 1.5 million dollars and the last report was, they had more than one third pledged. I am happy to report that Geneva State Bank has made a sizeable pledge of \$100,000 to help this project. I am sure that if any of you reading this would like to help, your help would be greatly appreciated. Just let us know and we will get you in touch with the right people.

I am reminded of a quote I heard some time ago, I cannot remember the author, but it goes something like this "To feel gratitude and not expressing it, is like wrapping a present and not giving it". With that in mind we again want to Thank you for being customers of Geneva State Bank!

Jim Goering
Vice President and
Branch Manager



Grafton
402-282-7212

Fairmont
402-268-2361

Hastings
402-463-0101

Kearney
308-236-6930

Website Redesign *Coming Soon!*



It's coming, the new Geneva State Bank website. Look for the new website to be released before the end of this year. Don't worry about remembering a new web address the site will still be accessed at www.genevastatebank.com.

- Expect a fresh new look
- Simplified layout that's easier to navigate
- Direct login to online banking from any webpage
- Mobile-friendly version of the website

It's a Bumpy Ride, Remember to Save

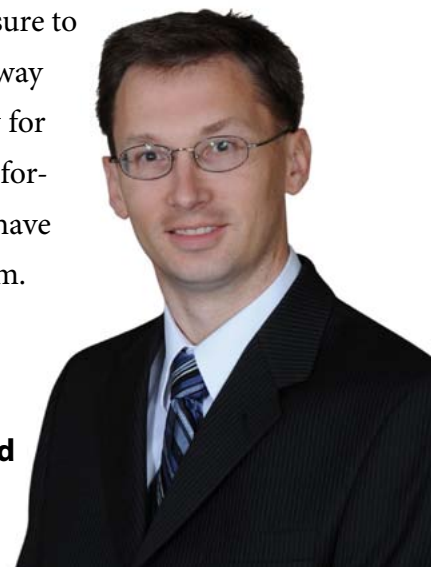
As I write this article, I am reflecting back over what has been a tumultuous few weeks for the United States. Standard & Poors downgraded the US from AAA to AA+ for the first time ever, the stock market has dropped 1500+ points in a few days, only to rebound nearly 500 points in the last hour of the day, the European Union is desperately trying to shore up the Italian national balance sheet to avert disaster for the Euro, Greece is bankrupt, there's famine in Africa, unemployment in this country is 9.1% and probably higher if we count it accurately, and if that's not bad enough, Congress can't seem to get it together to do anything about any of the above. I can't quite decide if the world is growing worse, or if the reporters are just working harder.

One thing I do know. For all the bad in the world, here in Nebraska we are some of the most fortunate citizens on the planet. We have 4.2% unemployment, the third strongest economy in the country adding jobs in nearly every sector, farm incomes that will exceed \$4.25 billion in 2011, and non-farm incomes that will rise 5% in 2011. Our community banks are some of the strongest in the nation with no failures in 2011 and capital ratios that are

among the highest in the nation. There are more new pickups driving around, more grain bins going up, and more new homes being built than have been in a long time. Go talk with anyone from outside the Midwest and see if they tell the same story, they will not.

Warren Buffet once said, "It's never paid to bet against America. We come through things, but it's not always a smooth ride." Right now the country is going through a lot of bumps. It's not that this is the first rough road the US has ever seen, and it won't be the last, but it still hurts. Nebraska is still riding very smooth, but we must not forget that we are not totally insulated from world events. Even though rates are low, be sure to put some of your prosperity away for when the road gets bumpy for us. A lot of folks outside our fortunate state wish they would have when times were good for them.

Aaron Schardt
Senior Vice President and
Chief Financial Officer



Investment Center

As many of you know, we've been going through some exciting changes with the Investment Center. At the beginning of the year, my Branch Manager Rich Pilakowski and his assistant Jodi Fisher made the permanent move to our Kearney branch. As a result, I have been spending some of my time in Kearney assisting Rich with his client base as he starts to explore the retirement process over the next few years. We are fortunate to have someone like Rich with his experience and reputation to increase our presence in Kearney as a full-service bank.

My permanent schedule will include being in the Geneva office each Monday, Tuesday-Friday in Kearney and each other branch by appointment. With the assistance of Heather in Geneva each day and Jodi in Kearney Monday-Thursday, we can assure you that I can be tracked down regardless of my location each day. I look forward to continue serving each location and all our clients as their Financial Advisor.

With the recent market volatility, there is no shortage of issues to discuss so please give me a call with any questions or to talk about protecting your portfolios and taking advantages of the many buying opportunities we are seeing in the market today.



Tyler Daly

Raymond James Financial Advisor

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- Not deposits
- Not insured by FDIC or any other governmental agency
- Not guaranteed by the financial institution (or name of financial institution)
- Subject to risk, may lose value

Geneva State Bank is independent of RJFS.

Agricultural Outlook

In this day and age of high grain prices, livestock prices, and input costs we often get asked how long we think it will last. Personally, I am not sure that the questions should be how long will it last, but how do we take advantage of these price levels for as long as they last. There seems to be a trend among producers of locking in commodity prices into the future, whether it be grain prices for the next one to three years, livestock prices for the next cycle, or input costs for the next year's growing season. I understand that this strategy sometimes doesn't allow the producer to sell all of their commodities for the highest price, but it does assure a producer that the amount of the commodity that they choose to sell in this manner is at a profitable level.

As the current price levels continue to produce significant profits they also create more risk than what we use to know as normal. We also know with the right growing conditions the American farmer can, and will produce a tremendous amount of grain which could cause an abundant supply. As we continue in this economic climate of high priced commodities and input costs please consider how much profitable crop you should lock in, inputs you should forward price, even if you don't hit the market high or the input cost low. We all know that for whatever reason, the economics of agriculture will change, but what we don't know is when or how that change will effect our operations.



Don Jividen

Senior Vice President

Planning for the Future

Like many of our customers, you do your best to plan for the future. Whether you are the head of a young family with a mortgage and a new baby or nearing retirement age, you always take steps to care for your loved-ones. When preparing for the years to come, you have probably asked yourself a number of questions. As a young adult, you wonder who will take care of the kids if you and your spouse pass away. You may ask whether you have enough life insurance to pay off the house and send the kids to college if you die suddenly. If you are nearing retirement age, you may be asking yourself a different set of questions. You may be wondering how to transfer your farm or business to the next generation. More importantly, you may ask if your kids can amicably divide your assets after you are gone. You can resolve these issues with a proper estate plan. An estate plan is the management and distribution of your assets at death. By using a will or trust, you can provide support for your family, name guardians for minor children, and transfer your wealth to the next generation. For some people, a trust can help you accomplish your estate planning goals.

What do you think of when you hear the word, “trust”? A trust is really nothing more than a relationship in which one person holds property for the benefit of another. Some people think that trusts are only for the super-rich. They imagine steel magnates and lumber barons sitting around massive tables in walnut-paneled rooms, listening to teams of bankers and lawyers talk about investments and taxes. In reality, people use trusts for many reasons. A trust can be used to provide income and professional money management for children and grandchildren, physically or mentally handicapped heirs, and heirs who make questionable financial decisions. Trusts are also useful for preserving the family farm or

business for the next generation, and providing seamless, continuous management after death. Some people use simple revocable trusts as a substitute for a will, simplifying the complex probate process, and obtaining greater privacy for their heirs. This is just a short list of the many ways in which a trust can benefit you!

When forming a trust, you will be asked to make several important decisions. One of those decisions is who will act as trustee. Selecting a trustee is easy. The Geneva State Bank Trust Department is well-suited to serve in this role. We combine legal and financial expertise with the customer service associated with small town rural banks. We will use our knowledge of the complex legal environment surrounding trusts to help you navigate the tax code, Uniform Trust Code and the Prudent Investor Rule. At the same time, we will be accessible to you and your family, always treating your questions and concerns with compassion and respect. We can ensure that your children and grandchildren will be treated fairly, and remove the burden of administration from their shoulders. If conflict happens to arise, we will use our training and experience to resolve the issue. All of these attributes make us a good candidate for the job.

If you would like to learn how the Geneva State Bank Trust Department can help you, give us a call. All consultations are free. We will work with you and your attorney to develop a plan that accomplishes your goals. Regardless of your stage in life, we want to help you plan for the future.

Lucas Swartzendruber
Trust Officer





Ambassador C



A Summer of Fun

Summer flew by and with it were a lot of events. Mother's Day Flowers, Dad's Day treats, coffee and rolls, and a great 22nd anniversary party and more were all part of our summer fun. We celebrated our 22nd year with a "Take Me Out to the Ball Game" evening in Geneva. It was so nice to have customers from Hastings and Kearney in attendance. I really appreciate the help Rich Mueller and Larry Bornschlegl gave me to make the evening a success. It was a BIG HIT. We also had several ice cream socials during July. Ice Cream reminds me of a short story I want to share. It's one of life's important lessons; "Always remember those who serve." In the days when a nice ice cream sundae cost much less, a 10 year old boy entered a hotel coffee shop and

sat at a table. A waitress put a glass of water in front of him. "How much is an ice cream sundae?" he asked. "Fifty cents," replied the waitress. The little boy pulled his hand out of his pocket and studied the coins in it. "Well, how much is a plain dish of ice cream?" he inquired. By now more people were waiting for a table and the waitress was growing impatient. "Thirty-five cents," she brusquely replied. The little boy again counted his coins. "I'll have the plain ice cream," he said. The waitress brought the ice cream, put the bill on the table and walked away. The boy finished the ice cream, paid the cashier and left. When the waitress came back, she began to cry as she wiped down the table. There, placed neatly beside the empty dish, were two nickels and five pennies. You see, he couldn't have the sundae, because he had to have enough left to leave her a tip (Always remember those who serve you). It is a valuable lesson in life.

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Alice Tatro
Vice President and
Amb. Club Director

Club News

Jersey Boys Broadway Performance Trip

Sept. 8th

Nebraska v. Wisconsin Football Game

Sept. 29th - Oct. 2nd

SOLD OUT

Red Carpets, Stars and Guitars

Nov. 7th - 10th

What could be better than actually seeing the Country Music Association's 45th Annual Awards Show live and in person? We are off to Nashville as we fly to the Volunteer State of Tennessee. Nashville Sightseeing includes a tour of the State Capitol Building, Fort Nashboro, Bi-Centennial Park, Music Row, Tootsie's Purple Orchid, the Wild Horse Saloon and more. We will be attending a performance of the Grand Ole Opry, America's longest running radio show. The next day it is on to world famous Studio B and the Country Music Hall of Fame. An afternoon cruise aboard the General Jackson Showboat will be followed by the Country Music Awards Show at the Bridgestone Center. We'll be there in time to see the stars walk in on the red carpet.

Spooks, Spirals and Stones

Oct. 18th

Take an interesting and unique glimpse of the past in Grand Island NE.... **Spirals** – discover the beauty and history of one of Grand Island's oldest churches. **Stones** – we will tour the Grand Island Cemetery with an experienced headstone historian. Divine for unmarked graves and learn the significance of headstone decorations, emblems, designs and placement. **Spooks** – if you dare... end your tour with some ghost hunting tales from a paranormal investigator and tours of haunted sites including the Grand Theater (featured in the documentary "Haunted Nebraska"), a Murder Mystery Dinner Theater...with a customized story line written especially for our group. This "Spirited" tour is perfect for an October day. Spooks, Spirals and Stones is simply **SPOOKtacular!** Cost is \$98 per person and includes: lunch, tours, programs, admissions, supper, Mystery Theater, transportation, driver tip and taxes. Deadline for signing up is September 15th. Payment is due at sign up. Departure Times: Bus departs East Bull Pen in Geneva - 9:45 a.m. Transportation departs Kearney Bank Parking Lot - 10:15 a.m. Bus picks up Hastings customers at Bosselman's in Grand Island - 10:30 a.m.

Panama Canal Cruise

Jan. 17th - 28th, 2012

This trip has been extremely popular. Over fifty five members are traveling with us. Final payments are due October 1st.





Protecting Your Information Online

From time to time, it's a good idea to review your personal information. Start with these five reminders about smart online and computer setup practices.

1. Think before you click – avoid clicking on pop-up ads, downloading information from unknown sites or clicking on links in emails from unknown sources.

2. Be wireless wise – Follow the manufacturer's security recommendations when setting up a home network to ensure it's properly encrypted. Only log in to fully encrypted websites when using wireless hotspots in cafes, airports and other public places (look for https in the website address).

3. Keep your security software current – Safeguard your computer and operating system with the latest antivirus and antispyware software.

4. Stay on top of updates – Reputable software firms continually update their software to ensure the highest levels of security. Be diligent and install these updates.

5. Pay attention to time stamps – Look for the “last log-in” date/time stamp when you log in to sites that provide one. If the stamp doesn't correspond to your most recent visit, follow up with the company.

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