

BRUNING STATE BANK

FDIC

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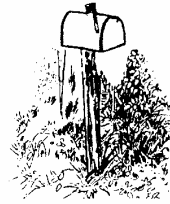
www.bruningbank.com

Bruning, NE • 402-353-2555 or 1-800-403-5889

Hebron Branch 402-768-7473 or 1-800-405-6167

Bank of Broken Bow 308-872-2757 or 1-877-872-2757

A Branch of Bruning State Bank • Broken Bow, NE



**YOUR
COUNTRY
BANK**



I Must Catch Them For I am Their Leader. . .

I am often asked if I write my own articles. The answer is yes, but with a catch. When I see a quote somewhere, I am not above using it (and hopefully, building on it) to get the wheels to go.

A drunken military commander was "sleeping it off" when he was told that his forces were about to win an important battle. He said "Then I must hurry and catch them, for I am their leader."

Technology and the speed of new innovations scare guys like me, so this quote gave me a little smile. I think it has a message for all of us, young or old. Whether you are farming, have a business, or work for a business, the information age is moving faster and faster. We all need to keep up with the changes, but we should also look ahead for the many innovations and trends. Not only do we need to keep educating ourselves, but help educate those around us. In particular, those who rent farm ground need to constantly keep in touch with landlords and landladies about chemicals, seed varieties, fertilizing, where the grain will be held, and marketing information. Part of the trend of going to "cash rent" versus "share rent" may have sprung from the lack of education and information to these landowners. They may have felt left behind, and they preferred to be the leaders.

Business has the same problems—it seems someone always beats us to the punch with new innovations and ideas. We at Bruning State Bank need to study and learn because we have to compete with large city banks that have strict education policies. How can we advise clients if we don't understand something ourselves?

Farmers and independent businesses will succeed if they study, read, and act. I don't want to wake up some morning and say, "Where did everybody go? I'm their leader!"

Banker Frank Bruning – President

—Good Friend Leland Oswald sent me this quote he read: "I have had enough success in life to keep me motivated and enough failures to keep me humble."

—Call from Neil Betty on my last letter: "How do you play well with those who don't play well?" (you got me)

The Gift That Keeps On Giving. . .

Most parents will tell you they want what is best for their children. They want their kids to get a good education, find a good job, and become successful, both personally and financially.

With the help of our schools and churches, most children are equipped with the tools they need to be a success, with the exception of one thing. For some reason, kids today are not given any training in financial management. Only four states require high school graduates to complete a course that includes personal finance. Many teachers have no formal training as few colleges and universities require them to take any courses on economics.

Financial literacy needs to be part of the curriculum for all children K-12, and teachers need to be trained to teach it.

To help out, the American Bankers Association Education Foundation began sponsoring an annual program called "Teach Children to Save" Day. This year Teach Children to Save Day is April 26th. Bankers will visit classrooms across the country to help young children learn how to manage their money effectively.

You, as parents, can help out by sitting down with your children and teaching them some simple life skills such as how to balance a check book, how to make a deposit, how to prioritize the money they have to spend and working to get them in the habit of saving money.

It is predicted that over the next 20 years there will be a generational transfer of \$12 trillion. This transfer is already happening. Your children may well be the beneficiaries of some of these assets. Their being able to put this money to work for them will hinge in part on the training they get and the financial habits they develop.

If you teach your children good savings habits, you will have given your children a gift that will keep on giving to them the rest of their life.

*Darrell Raum – Senior Vice President
& Credit Supervisor*

Purchase... Build... Refinance... Consolidate Debt...

The Bruning State Bank offers
NUMEROUS HOME LOAN
OPTIONS WITH DESIRABLE
TERMS TO FIT YOUR NEEDS



Don't wait for those interest rates to go up!

*Come see Jeff Hammer, Stephen Hoff or
Sarah Miller for a free consultation today!*

- Not FDIC insured
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- Not a deposit of the bank
- Not insured by any federal government agency
- May go down in value

Are You Prepared For A Financial Emergency Before It Hits?

Many typical, middle-class families with two-incomes across the nation are losing sleep at night knowing they are one layoff or major illness away from financial ruin.

With second mortgages on their homes, if something bad happens, they'd be looking at foreclosure. They are so tight financially, if an engine in one of their 2 vehicles goes out, they would not be able to fix it right away. They feel trapped and are not alone, according to Elizabeth Warren, Harvard Law School professor, author, and one of the top bankruptcy experts in America. Warren was prepared to write a book that would sock it to families for going broke in record numbers. She was going to tell them they would be financially secure if only they would stop buying designer outfits for their toddlers and big screen TVs for their media rooms and dinners at restaurants every night. Live more like your parents did 30 years ago, she was going to say. But then she studied the families that were filing for bankruptcy and the results shocked her.

Many of these people didn't fit the profile she expected. They weren't young people with their first credit cards or irresponsible people living beyond their means or older people not making it on their shrinking savings. They were the hard working play by rules types—accountants, lawyers, police officers, teachers, and secretaries.

They were middle-class parents with two-incomes just trying to make a decent life for their children. They were spending second incomes, not on luxuries, but on the basics of middle-class life, like good schools, medical care, safe cars, childcare, etc. They were living in a house that cost, when adjusted for inflation, 32% more than they did 30 years ago. And they lost it all when disaster hit, i.e., a spouse loses a job, a child gets sick and needs mom to stay

home, or an aging parent breaks a hip and needs constant care.

Warren found few families had substantial savings so they quickly ran out of money for mortgage payments and other bills. They turned to credit cards for the basics like food and gas and the hole deepened.

The data showed her that today's two-income family is in a far riskier position than the one-income family was a generation ago. Families with both parents in the work force full time have no safety net if something goes wrong. A generation ago, stay at home moms were a safety net for the family financially. Mom could go into the work force if something went wrong, if dad got laid off or had a heart attack, adding new income to possibly survive a pretty serious economic blow. However, economics has changed for middle-class families.

Two-incomes are needed for many families just to be middle-class. A police officer in 75% of metropolitan areas of America cannot afford a home on one salary. The same holds true for firefighters and teachers who cannot be middle-class unless both mom and dad are full time employed.

The basics are killing families—mortgage, health insurance, a second car for mom to get to work, and childcare. By the time today's two-income family has paid for the house, health care, second car, and childcare, they have less money left over than the one-income family had a generation ago.

Families today are spending less on food, less on clothing, less on appliances, less on furniture, less on floor coverings than their parents did, in numbers adjusted for inflation. And yes, they are spending more on entertainment—a whopping \$170 a year more per family. No one is going to the poor house over that difference in entertainment.

The biggest item sending them to the poor house is their house. Over the past 30 years, as more and more women have entered the work force, housing costs have increased 70 times faster than a man's earnings as parents waged a bidding war for a house in neighborhoods with the best schools and the least crime. It's not twice, not quadruple, it's 70 times faster than a man's wages,

In the early 1970's, a single income family spent \$20,866 on fixed costs such as mortgage, childcare, health insurance, car, and taxes and \$17,834 on discretionary income. In the early 1970's, a dual income family spent \$50,755 on fixed costs such as mortgage, childcare, health insurance, car, and taxes and \$17,045 on discretionary income. (Source Consumer Expenditure Survey, Sheila Story/Lincoln Journal). In other words, today's parents now need 2 incomes to buy a home and struggling families are moving to smaller communities nearby where housing is cheaper or moving into smaller homes to reduce house payments.

Today's families are more than twice as likely to be living in a house more than 25 years old and more than four times

(Continued on next page)

likely to be house-poor, meaning they are spending more than 30% of their income on housing. The rules have changed and parents today need to realize it before it's too late. To avoid financial problems, we all need to live a lifestyle that is within our means. It doesn't matter how much you make, it's how much you spend!

According to a 2001 Consumer Bankruptcy Project, the study found the following reasons why families with children filed bankruptcy:

87% are due to the "Big 3": Job loss, medical problem, and divorce

13% are due to other reasons such as bad investment, crime victim, credit card overspending, natural disaster, other explanation, and no explanation

Here is a drill to see if you have fallen into the two-income trap.

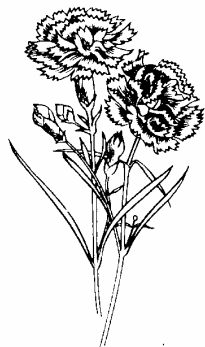
1. Can you survive without one-income? The average two-income family faces 1 in 16 chances in any given year that one parent will lose a job. If you cannot survive for at least 6 months, then you should do some disaster planning now.

2. Can you downshift the fixed expenses? Consider going a few more years without a new car or signing up for a lower-cost HMO, even if you have to switch to a new pediatrician, maybe a cheaper preschool or a cheaper house.

If you are looking for a new house, don't stretch for a house you can't afford. Just because your mortgage is approved doesn't mean you can afford it.

3. What is your emergency backup plan? What will you do if you divorce? If a child gets sick? If you lose your job? What can you do now to your budget to build a cushion? Thinking like this could make you rethink your financial commitments.

Craig Pope – Hebron Branch President



To All Ladies...

*Please stop in at the
Bruning State Bank
in Bruning or at the
Hebron Branch
either*

*Friday, May 6, or
Saturday, May 7, to*

*receive your free flower in honor of
Mother's Day.*

Trips...

We have a full passenger list for our trip to the Main Street Opry performance at the LIED Center in Lincoln on April 4th. Thank you to all of you who signed up to go and those we had on stand by. This 2-hour show is always refreshing entertainment!

We now have flyers available for our July 13-17 trip to the Black Hills in South Dakota. Tour highlights include: Mt. Rushmore Memorial, 1880s Steam Train, Chapel in the Hills, Big Thunder Gold Mine with Gold Panning, Dinner on a Ranch, Crazy Horse Memorial and much, much more. This trip will cost \$699 per person/double occupancy.

On September 15, we will be heading to Omaha for the Last Dinner on the RMS Titanic at the Renaissance Mansion along with other Gretna and Omaha highlights. We will have more information from our travel company soon.

If you have questions or are interested in having more information about any of our trips, please stop in or give us a call. Additional travel destinations are offered from the travel company that we work with and you are invited to stop in at any time to look over the brochure. They are a great group to work with and will help you plan that special trip this year.

*Sarah Miller, Pat Hobbs &
Mabel Hogeland – Group Travel*

Where Are Your Important Documents?

Like it or not, we are heading into tornado season. It is now more important than ever to make sure you have all of your insurance documents, wills, titles to vehicles and personal valuables tucked away in a safe place. Most of us use the "shoebox in the closet" method. There is a much better way!

Rent a Safe Deposit Box from Bruning State Bank! We have many boxes available to rent. They range from small to large depending on what your needs are. We bill only once a year and you can make arrangements to have the amount taken directly out of one of your accounts here at the bank. Our safe deposit boxes are much safer than the shoebox in the closet.

So round up all of those odds and ends and bring them in to one of our branches before the wild winds of spring start to blow!

*Jan Bentley, Deb Schultz, Nancy Lahners &
Cheryl Houser – Customer Service*

Farmers & Ranchers College...

The last session for the 04-05 series was held March 10th. For those of you who didn't attend the last Farmers and Ranches College meeting at Chester, you missed out on one of the best.

A very good presentation on the use of CRC and Revenue Insurance in conjunction with your marketing program was presented.

The just released USDA crop estimate figures were available as an example of what you could possibly expect for the 2005 crop year. Using the combination of insurance guarantees and USDA figures gave you the tools necessary to build a workable program that could guarantee a profit. Another short program on farm transition from parents to children was presented. I think this opened a few eyes on just how difficult this can be without proper planning and communication.

Also covered was updated information on soybean rust and possibilities for the 2007 farm bill.

Wish you could have been there.

Larry Olson – Vice President & Loan Officer

Crop Insurance Notes...

Acreage Reporting Accuracy-Very Critical!

As it is time to start putting that seed into the ground, the crop insurance cycle also begins. The acreage reporting deadline is June 30th for Oats, Corn, Milo and Soybeans. It has always been important to accurately report your planted acres, but this year, the Federal Government has put some "Teeth" into the new 2005 Crop Insurance Provisions for both over-reporting and under-reporting acres. Severe penalties will be assessed on claims where shares and/or acres are incorrect, with a 10% margin for error. Accidentally reporting a 50% share when actually the share should have been 100% would be a prime example; this could easily cause more than a 10% margin of error. Also, forgetting to report an existing farm or a new farm for the county in which you have coverage would be considered under-reporting—again severe penalties. In some cases, leaving a farm off of the policy or mis-reporting a share could reduce the overall indemnity payment by 90%. If the acreage reporting error is a typo-error on the part of the agent or company, the policy can be corrected and a full indemnity paid.

There are steps you can take to make sure you have an accurate acreage report. First of all, if you have quite a few acres to manage with different shares, landlords etc., you will definitely want to certify at the FSA office before reporting to your crop insurance agent. Bring your FSA 578's and maps along when you report your acres to your crop insurance agent.

Remember—crop insurance information is reconciled with FSA records. You need to report the same acres and practices to your agent as what is certified at FSA. There is only one exception to the rule for reporting differently, how a crop is certified versus how it is insured. That would be in the case of pivot corners. Even though the corners may be certified as non-irrigated, they may be insured as part of the irrigated crop, if you do not want to take the time to keep them separate. Also, regarding pivot corners, here's another issue: Let's say you have a pivot circle, with four pivot corners, but three of them are dryland and you insure them as dryland and keep separate production, but on one of the four corners you drop pipe and water. If you want to get paid at loss time, you MUST certify the irrigated corner as irrigated and the other three corners as dryland. Just remember, if you make a change to your FSA certification, be sure and bring the change to your crop insurance agent. It could mean the difference between collecting or not collecting at loss-time.

Important Dates:

April 30—Production due for Oats, Corn, Milo and Soybeans (from previous year).

June 30—Acreage Reports due for Oats, Corn, Milo and Soybeans.

*Jeff Hammer, Shari Fischer, Craig Pope
& Kathy Roberts – Crop Insurance Agents*

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COUNTRY BANK HOURS...

Bruning State Bank

LOBBY:

8:30 A.M.-3:30 P.M., Mon., Tues., Thurs., Fri.

8:30 A.M.-5:00 P.M., Wednesday

8:30 A.M.-12:00 Noon, Saturday

DRIVE-UP:

8:00 A.M.-4:30 P.M., Monday thru Friday

8:00 A.M.-12:00 Noon, Saturday

Hebron Branch

LOBBY:

8:30 A.M.-3:30 P.M., Monday thru Friday

8:30 A.M.-12:00 Noon, Saturday

DRIVE-UP:

7:30 A.M.-4:30 P.M., Monday thru Friday

7:30 A.M.-12:00 Noon, Saturday

Bank of Broken Bow, a Branch of Bruning State Bank

LOBBY:

8:00 A.M.-5:00 P.M., Monday thru Friday

ATM Locations:

Bruning State Bank, Drive-up Area

Geneva & Hebron Casey's

Hebron Branch Bank Lobby

Bank of Broken Bow Lobby

Bank of Broken Bow Staff. . .



Pictured (back, L-R) Kim Schipporeit, Assistant Cashier; Jim Scott, Vice President/Lending; Dan Jelinek, Branch President; Janice Nozicka, Loan Clerk; (front, L-R) Corrine Andreasen, Loan Administrator; Renee Ferguson, Marketing/Customer Service Representative; Dee Krantz, Customer Service Representative; (not pictured) Gladys Ahlers, Part Time Customer Service Representative.

The Bank of Broken Bow is very excited about the new opportunity of becoming a branch bank of Bruning State Bank. The picture of our staff is of other former employees of United Nebraska Bank, which was purchased by another institution. There is quite a buzz around town of the new bank being created. We appreciate the confidence that the management of Bruning State Bank has placed in us and I'm excited to tell the story!

Jerry Catlett was an employee of United Nebraska Bank from 1985 to 1993. Jerry did a wonderful job when employed there by serving customers and developing new business for the bank. Jerry left the bank to begin employment with the Bruning State Bank in 1993.

After the public announcement was made that United Nebraska Bank had sold to another institution, Jerry called me to begin discussions about the possibility of creating a new branch bank in Broken Bow. Once discussions started, a business plan was put together identifying the employees that would be needed to make the new branch bank successful. We are impressed with the trust and confidence that the management of Bruning State Bank has placed in the employees, and for the investment they are making in the community of Broken Bow to create a full

service branch bank. Our team is made up of the following employees, along with the years of bank experience: Dan Jelinek, 25 years; James Scott, 12 years; Corinne Andreasen, 27 years; Kim Schipporeit, 18 years; Renee Ferguson, 6 years; Janice Nozicka, 5 years; Dee Krantz, 11 years; and part time staff Gladys Ahlers, 5 years.

We were successful in purchasing the former Ben Franklin store in Broken Bow to locate the branch. We contacted a general contractor, Dann Scofield, who began immediate work of remodeling the facility into a bank. This complete project was compressed into a short 90 day time period. As of this writing, the carpet is being laid, and furniture and computer equipment are on schedule for delivery and installation. A new branch bank has been born!

We are grateful and appreciate the customers who have committed to move their accounts to Bank of Broken Bow. Currently we are in the process of working with loan customers in a temporary office. The target date for the Grand Opening celebration is April 1, 2005. Our first official day, as a full service bank, is scheduled for April 4.

Dan Jelinek – Branch President

PRODUCTS & SERVICES

BANK OF BROKEN BOW

a Branch of Bruning State Bank

Checking Accounts

- Convenience Card Account
- Checking Advantage Account
- Checking Plus Interest
- Retail Business/Governmental Agency Account
- Country Cash Card

Savings Plans

- Savings Advantage Account
- Money Market Savings
- Educational Savings Account
- Certificates of Deposit
- IRAs (Individual Retirement Accounts)
- SEPs (Simplified Employee Pension Plan)
- Coverdell IRAs
- Savers Club for Kids

Loans

- Agricultural Loans
- Commercial Loans
- Consumer Loans
- Home Loans
- Ag and Commercial Leasing

Services

- Bank By Mail
- Night Depository
- Travelers Cheques
- Money Orders/Cashiers Checks
- Wire Transfers
- Federal Tax Depository
- Direct Deposit of Government Checks
- Notary Services
- Automatic Savings, Loan and Checking Transfers
- ATM "Country Cash Card"
- Visa Check Cards

Hours:

Monday through Friday - 8:00 A.M. - 5:00 P.M.

What Is Your Life Insurance IQ?

True or False. I should have life insurance in the amount of at least five times my annual income.

True. Generally speaking, a wage earner should own life insurance equal to five to eight times his or her gross annual income. However, it is important to evaluate your individual situation in determining your life insurance needs. Two people earning exactly the same amount can have different needs. Someone with a working spouse, no children, and substantial savings would need less life insurance than someone with young children and a dependent aging parent.

True or False. Term insurance is always cheaper, so it's a better buy.

False. Term insurance pays you the face value of the policy in the event of your death during the specified term. Term insurance *is* cheaper when you're young, but costs more if you continue to need it later in life. It is best when purchased to cover a short-term need, for example, to pay off a mortgage or put children through college in the event you die prematurely. However, since you can't predict the future and can't identify what the future may bring your way, a term policy that can be converted to a permanent policy without a medical exam may be something to consider.

We would love to help you evaluate your current situation and design a life insurance policy to suit your needs.

*Fred Kobza, Jeff Hammer & Stephen Hoff –
Life Insurance Agents*

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- May go down in value

Teens and Auto Insurance. . .

Driving is an important milestone in a teenager's life; however, for parents it is cause for concern. If you are the parent of a new driver, you already know about the worry of putting your child behind the wheel of a car but you also know about the high cost of adding teenage drivers to your auto insurance policy.

According to the National Safety Council in examining fatal crashes alone, drivers ages 16 to 17 are three times more likely to be killed in a traffic crash than drivers between the ages of 25 to 64. The main reason for this is driving inexperience thus resulting in higher insurance rates for young drivers. Gender also plays a role in insurance rates. Teenage males are viewed as a greater risk than teenage females.

Obviously, the longer your teen is off your policy, the longer you will have lower premiums. It is important you

check with your insurance agent as to when to add the new driver to your auto policy. Some companies require they be added after obtaining a driving permit while others allow them to wait until they have obtained a full-fledged license.

There are some ways to get discounts for your teenage drivers. The first is a driver's education training course. Most insurance companies will give a discount for drivers who have successfully completed driver's education. Also, many companies will also give a good student discount if the teen has a B average or better.

Another factor to consider is the vehicle the teen is driving. Older, less expensive cars are a lower risk as it typically costs less to repair and policyholders can save money on the old cars by not carrying comprehensive or collision coverage as they would on a newer car. However, it is important to note that older cars won't have the latest in safety features such as air bags, anti-lock brakes, or electronic stability control.

Good driving habits can be the biggest factor in maintaining reasonable insurance premiums for young drivers. Once teens start to collect traffic tickets or are involved in auto accidents, insurance premiums on these drivers really start to rise. Be sure you spend time traveling with your teenager behind the wheel, model good driving skills, and discuss irresponsible behavior and possible consequences.

Since keeping your teen from driving until he or she is 25 is most likely not an option, weigh all your options and remember you were a teen once, too. Let us know if we can be of assistance with your auto insurance; we'll be happy to try and make the teen driving years as painless as possible. Or at least as far as your auto insurance is concerned.

*Fred Kobza, Kathy Roberts &
Kristen Monteforte – Insurance Department*

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Congratulations...

To all area Teams this last school year. We support your efforts and dedication and look forward to next year. Best of luck to the graduating seniors!

Update On E911 Address. . .

Recently some of the residents in this area received a letter telling us we have been assigned an E911 address. Just a reminder that this is not your mailing address at this time; it is used just for emergency times only. The postal service will notify you in the next few months to let you know when the E911 address will become an actual mailing address. At that time, please notify the Bank of this change so we can change your records.

Remember that any time there is an address, telephone or name change, please contact us so we can correct this information on your records here at the Bank.

Have a Safe and Happy Spring!

*Carm Hinrichs, Pam Lemke &
Janice Fintel – Bookkeeping*

Your Good Credit . . .

Using your credit report to (1) Maintain Good Credit (2) Combat Identity Theft

- What to look for
- How to read a credit report
- How often to evaluate
- FACT Act rights

Credit Reports and the FACT Act

Your individual credit report is one of the most important barometers of your overall financial health. This summary of your financial reliability—prepared by credit bureaus (also called credit reporting agencies) - tells lenders about your history of paying bills and is used by them to decide whether to loan you money and how much to charge.

A new law makes it easier than ever to access your credit report and to change any errors it might contain, a major step towards establishing and maintaining your good credit and preventing identity theft. The Fair and Accurate Credit Transaction Act (FACT Act) assures you free access to the report annually from each of the three reporting agencies: Equifax, Experian and TransUnion. All regions of the country will be covered by September 2005; you may already be eligible for a free report depending on your region of the country.

What to Look For, When to Act

You may wish to stagger your requests to each of the three agencies over the course of the year. This allows you to consistently monitor your credit throughout the year. Check these key areas:

- **Timeliness** – If it shows late payments, but you always pay your bills on time, correct the error immediately.
- **Accounts** – Make sure all the accounts are yours. Identity thieves often open accounts in your name using stolen information, and they will often show up here.

- **Dormant Accounts** – If you notice accounts you no longer use, it might be wise to close them. They could be affecting your credit score.

- **Credit Score** – If the report does not include your credit score, be sure to ask for it. (There may be a charge. See below about credit scores.)

The Importance of Credit Scores

A credit score is a number used to make a decision on a loan or other credit. Many lenders use a system developed by Fair Isaac and Company called the FICO score - a point system based on your credit history to predict creditworthiness (see chart below). Your credit score is most influenced by

- Your payment history.
- The amount of your debt.

Late payments, a past bankruptcy, debt collections or a court judgement ordering you to pay money as a result of a lawsuit will negatively affect your credit score. Too much debt relative to your income is also a warning sign to creditors and will usually lower your score.

In general, the better your credit score, the better your chances of getting credit with an attractive interest rate. Since your credit score is highly dependent on your credit report, it is critical that your credit report is accurate.

Your score, along with an explanation of how the score was derived, is available from any of the three major credit bureaus. Each bureau may have different information about you, so your score may vary from one company to another.

Your Consumer "Bill of Rights"

The FACT Act provides a "bill of rights" for consumers' credit records - your right to ask for credit score—to know when information in your file is used against you—to dispute incomplete or inaccurate information, and to have it corrected—and to seek damages in specific instances.

Victims of Identity Theft Have Additional Rights– The FACT Act gives you specific rights when you believe that you are the victim of identity theft:

- You can ask the nationwide credit agencies to place "fraud alerts" in your file.
- You have the right to free copies of information in your file.
- You can request and obtain documents relative to fraudulent transactions made or accounts opened using your personal information.
- You have the right to obtain information from a debt collector.
- If you believe information in your files is the result of identity theft, you can request that the consumer-reporting agency block that information from your file.
- You may prevent businesses from reporting information about you to consumer reporting agencies if you believe the information is the result of identity theft.

(Continued on next page)

Having good credit and using it wisely is more important than ever these days. Fortunately, it is also easier than ever to monitor your credit files and to correct errors that could have a negative impact on your credit rating. Check with your banker to learn more about good credit, identity theft, and maintaining good financial health.

Learn More About Credit Scores

www.equifax.com 800-685-1111
www.experian.com 888-397-3742
www.transunion.com 800-888-4213

How to Obtain a Free Credit Report

www.annualcreditreport.com 877-322-8228

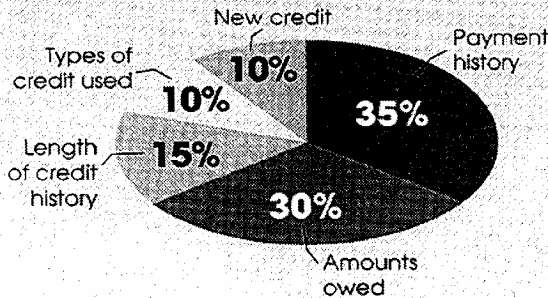
Learn More About Dealing with Identity Theft

www.consumer.gov/idtheft
www.ftc.gov/credit

Presented by the American Bankers Association
 2005 Financial Education Corporation

Your Credit Score

FICO scores analyze five types of data from your credit reports.



Many lenders base their decisions on FICO scores. The table below shows the score's impact on a \$100,000, 30-year fixed-rate mortgage, as an example.

FICO SCORE	APR	MONTHLY PAYMENT	TOTAL INTEREST PAID
720-850	5.720%	\$582	\$109,401
700-719	5.845%	\$590	\$112,264
675-699	6.383%	\$624	\$124,782
620-674	7.533%	\$701	\$152,531
560-619	8.531%	\$771	\$177,600
500-559	9.289%	\$826	\$197,181

Source: Fair Isaac/Informa Research Services.

What Is A Trust?

A trust is a legal relationship that enables one party, the "trustee", to hold money or other property (trust "principal") transferred to the trust by a second party (called the "grantor" or "settlor" or "trustor") for the benefit of one or more third parties (the "beneficiaries") according to the

terms and conditions of written document called a "trust agreement." The trust agreement spells out how the assets of the trust are to be managed and invested, who will receive the income and assets from the trust, how that money is to be paid out, and when principal and income is to be paid.

The key is that the trustee—for investment, management, and administration purposes—holds legal title to the property in the trust. But the trustee may only use the property—and the income it produces—for the benefit of the beneficiaries you have selected.

Why Set Up A Trust?

1. You feel your beneficiary is unwilling or unable to invest, manage, or handle the responsibility of an immediate outright gift. Families with minor, handicapped, or emotionally immature children should consider trusts.
2. You would like to postpone full ownership until your beneficiary is in a position to handle the property or income properly or until you (or someone you name) are ready or able to part with it.
3. You want to spread the financial security of property among a number of individuals.
4. You have particular dispositive plans in mind and control is essential.
5. You would like to protect assets from the claims of your own creditors.
6. You want to treat your children or grandchildren equally—yet you own some property which may appreciate and some property which may fall in value. By placing both properties in trust and giving all your children equal share of that trust, you equalize both benefits and risks among the children.
7. You want to avoid the mysterious and uncertain, and sometimes costly process of probate.
8. You want to reduce the probability of a will contest or an "election" by a spouse to take a state mandated portion of your estate, regardless of what your will provides.
9. You would like all the details of your finances kept as private as legally possible.
10. You would like to relieve yourself of the burden of investing and managing property and would like to protect yourself in the event of physical, emotional, or mental incapacity.

There are many management, conservation, and dispositive objectives available through one or more types of trust that are not possible with a direct gift.

Types of Trusts

- Living Trust
- Testamentary Trust
- Revocable Trust
- Irrevocable Trust
- Estate Management
- Conservatorships
- Guardianships
- Farm Management

For further information in establishing the trust that suits your needs, contact the Bruning State Bank Trust Department or the attorney of your choice.

Trust Officers: Frank L. Bruning, Darlene Reinsch, Fred D. Bruning, Janet Germer and Renee Dowdy.

Bank of Broken Bow a branch of Bruning State Bank. . .

Bruning State Bank has received regulatory approval from the Federal Deposit Insurance Corporation and the Nebraska Department of Banking and Finance to establish a branch bank at 803 South D Street, Broken Bow, Nebraska. The full service branch will be operational and open for business on Monday, April 4, 2005. The telephone number is 308-872-2757 or 877-872-2757.

Officer and staff appointments for the Bank of Broken Bow: Dan Jelinek, Branch President; Jim Scott, Branch Vice President; Kim Schippleit, Assistant Cashier; Corinne Andreasen, Loan Administrator; Dee Krantz, Customer Service Representative; Renee Ferguson, Marketing and Customer Service Representative; Janice Nozicka, Loan Clerk; and Gladys Ahlers, Part-time Customer Service Representative.

Avoiding Money Order Fraud. . .

A new counterfeiting scheme has allowed scam artists to cash in thousands of phony money orders—and Americans are footing the bill. Fortunately, there are ways to protect yourself.

According to U.S. Postal Inspectors, the scam begins when a victim is contacted by someone through an Internet chat

room or online auction site. The con man claims to have financial problems and to need help cashing money orders. The person "in need" often claims to be living in a foreign country (usually Nigeria), but the scam artist can cook up the scheme from any location.

Victims are lured into the scam where they are told they can keep some cash from the money order as payment for cashing it and wiring the difference to the con man. The scammer then mails the victim a counterfeit money order with instructions for the victim to deposit it in his bank account and wire the money back to the fraudster. Victims usually learn the money order is counterfeit only when they attempt to cash it or when their bank account takes the hit for the full amount of the money order after the bank refuses payment on the bogus deposit.

The good news is that legitimate money orders have security features that help distinguish them from counterfeit notes. For a full list, visit the Website www.usps.com/missingmoneyorders/security.htm.

Knowing the signs of an authentic money order helps, but according to Postal Inspectors, so does using your head. They warn that most lures promising quick and easy money are cast by fraudsters—and if an offer sounds too good to be true, it probably is.

For more information, visit www.usps.com/postalinspectors.

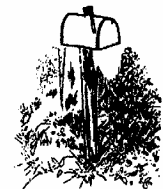
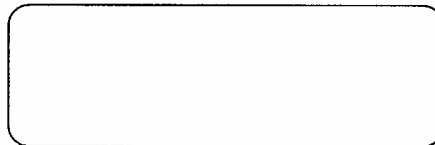
A new scam involves passing counterfeit money orders on to consumers.

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