

THANK YOU!



WE DID IT AGAIN!

Liberty Voted
BEST FINANCIAL INSTITUTION
IN CENTRAL MINNESOTA AGAIN!

In the St. Cloud Times annual survey, Liberty Bank Minnesota was voted "Best Financial Institution" in Central Minnesota for the second year in a row. We are grateful to everyone who cast their votes. We work hard everyday to earn the confidence of our valued Customers.

Thank you!



Liberty Bank

Minnesota

NMLS ID #411232

customer CONNECTION  Winter 2017

It's hard to believe it's the end of another year. They say time flies when you're busy, and we have been very busy at Liberty. In 2016 we began using our new name Liberty Bank Minnesota. The change served two purposes.

First, it recognized that as our business has grown over the years, we are serving an even wider area around our St. Cloud home. Our name serves as a reminder to customers that we remain locally owned and managed and our mission is to serve our local market. As community bankers, the relationship between the bank and the communities we serve is everything. That's what makes us different from a big bank...we always treat our customers with fairness and respect because they are our friends and neighbors. The job satisfaction we get out of knowing that in some way we have made their life better is incredible.

The second reason for the name change was the internet. Even though the number of community banks in the U.S. has shrunk considerably, there are still many institutions with the word "Liberty" in their name. In the past when customers were seeking us out on the internet, it was confusing to figure out which Liberty they were dealing with. The same was true for folks from other states who often called about an account they had in Georgia, Florida, Arkansas, Colorado, New Jersey, etc. Our reply was always "we only do business in Minnesota".

Liberty is the only financial institution with the name "Liberty" in Minnesota, and our regulators assure us this will remain the case. The name gives us pride in our home and also makes it clear where we do business.

2016 has been another amazing year. To say business has been brisk would be an understatement. We have opened so many new accounts and made so many loans. This was a particularly strong year for new home construction. People are on the move!

We've been busy in our communities as well this year with great events including: the 28th Annual Block Party, the 4th Annual Libertyville, a fun Oktoberfest event held in Monticello and continued support of many worthwhile community activities.

This year we have also seen a continuation of the shift to electronic banking. This convenient tool is becoming the choice for many. If you have not looked into the electronic options available at Liberty, I urge you to do so. We stand ready to serve you 24/7. Likewise, our online mortgage platform "Libertyapply.com" has seen a huge upswing in activity in 2016. The ability to apply and transact home loan business on Saturday afternoon is incredibly convenient. So do some "surfing" and enjoy the experience.

Thank you all for making this job gratifying for all of us at Liberty. Serving you is a way of life for many of us and we look forward to continuing to find ways to improve our bank and it's services. Do not hesitate to contact us with your ideas and suggestions.



Happy New Year, and we look forward to serving you in 2017!

Sincerely,

Mark Bragelman
President/CEO

1-888-850-Bank
libertybankmn.com



LIBERTY BLOCK PARTY 28... *The Best Ever!*

THE 28TH ANNUAL LIBERTY BLOCK PARTY took place at Whitney Park on June 24, 2016. A massive crowd, the cooperative weather, and lively music made this the best Block Party yet. This year's theme was a Super 60's Festival and included: Herman's Hermits Starring Peter Noone, the Grassroots and opens the Whitesidewalls. All three acts performed on-time for the first time ever!

Attendees were singing along with every song. Food vendors were kept busy all night. Unlike most outdoor music events, Liberty does not charge our local vendors to be there, giving them an affordable opportunity to present their amazing cuisine to local residents.

This year we hit a milestone...the artists at Liberty Block Party have

now performed 300 top 40 hits which they originally recorded. That includes 40 #1's!

We look forward to Block Party 29 in 2017. We promise more great music, free of charge, in an alcohol free environment. We can't wait!

Ladies and gentlemen...
Peter Noone!



Peter Noone (Herman) wearing his Liberty crown!



Getting up close and personal!



Peter Noone (Herman), a Liberty Employee for a day!

LIBERTYVILLE

The fourth annual Libertyville event took place at Pine Meadow Elementary in Sartell on June 10th. Even though the temp was near 100 the turnout was fantastic. The large crowds enjoyed an exciting assortment of activities. The kids had a blast with the Crazy Hair Artists, Temporary Tattoos and Giant Inflatables.

Special attractions included the Timberworks Lumberjack Show as well as the excellent LeSauk Lions Cafe and food Court. The event was topped off by a performance of The Human Cannonball, who catapulted himself across the schoolyard!

Once again the proceeds from this year's food sales were donated to Sartell Schools to support the districts "One Book One District" reading program. We look forward Libertyville 2017! Thanks to the LeSauk Lions and Sartell Schools!



The Human Cannonball doing some Sartell sightseeing!

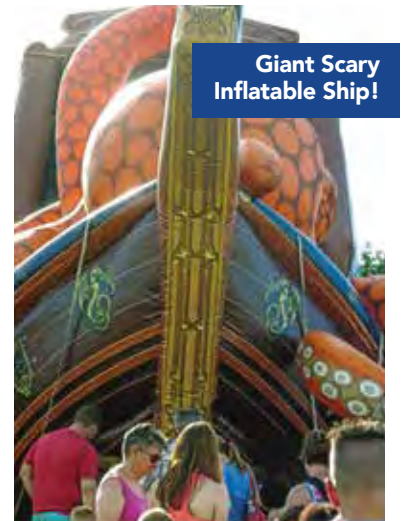
KABOOM!

It's okay mom, it's only temporary!



LeSauk Lions Cafe!

in Sartell



Giant Scary Inflatable Ship!



Long lines and 100°!

Is it time to look at opening a HELOC?



A HELOC, also known as a home equity line of credit is a loan secured by your home. You can use this loan for various reasons. The home equity line of credit is very flexible, you can use it, pay it off, and reuse it again when you need it. It is important to make sure you are taking out a HELOC for these right reasons.

MAKING HOME IMPROVEMENTS

People who take out a HELOC use it to make home improvements. Home improvements vary in size from installing a new front door, installing new siding, upgrading your kitchen, adding on to your deck and patio, or making a major addition to your home. With a HELOC you only pay interest on the money you use for the time you use it. A HELOC is a great fit for home improvements, you are only paying for the portion of the project that you have completed and paid for.

SUPPLEMENTING AN EMERGENCY FUND

Everyone should have an emergency fund to cover events such as unexpected car repairs, appliance breakdowns or medical emergencies. The best solution for an emergency fund is to have a savings account for unplanned expenses. As an alternative, you might consider a home equity line of credit as another source of cash. You only pay interest on the amount you borrow, and you could pay the loan off quickly to save money.

PAYING OFF HIGH-INTEREST DEBT

Because the average interest rate on a HELOC is much lower than the average credit card interest rate, many people think about using a HELOC to pay off their credit cards. This is a great strategy if you're committed to never carrying a balance again. Otherwise, you're just adding another debt at a lower rate.

Regardless of how you use a HELOC, you can enjoy the flexibility of interest only payments, although you will want to have a plan to pay the loan off in a specific period of time by also making principal payments.

Monticello's OKTOBERFEST



October 14th was a day of fun, food and door prizes at our Monticello location as we celebrated Oktoberfest. We hired our friends from Von Hanson's to cook brats, hot dogs, and soft pretzels. We even brought in Sprecher's Root Beer from Wisconsin. Judging by the turnout it was a great success.



This is one small way we can show our appreciation to a very loyal Monticello area Customer group. We hope everyone enjoyed the food and the atmosphere.

In other words...we hope it was Vunderbar!



Protect Yourself from Fraud



Identity theft is the fastest growing financial crime in our country and the criminal's tactics are always changing and expanding. So, it's important for you to keep up your guard.

Current trend — imposter scams

The bad guys can use several different ways to trick you into providing them with your personal information. One of the most popular tactics is the imposter scam. **Identity thieves are masquerading as representatives of utility companies, government agencies, credit card companies, technical/computer support companies and sweepstakes companies**, to name a few. Be wary of any unexpected communications including phone calls, text messages, e-mail, and even traditional letters - asking you to verify your identity, account number, social security number, password or other personal information.

Prevention is the best "medicine"

There are several steps you can take to prevent personal identity fraud:

- Don't wire money without confirming the recipient's identity (the #1 method of fraud payment)
- Don't pick up the phone if you don't recognize the number
- Never pay to claim a prize
- Protect your computer
- Treat your personal information like cash (particularly your Medicare card)
- Resist high-pressure sales pitches
- Monitor your bills and financial statements
- Monitor your credit report by visiting the government sponsored site annualcreditreport.com once a year.
- Shred documents with identifying information
- Give your social security number only when you MUST (and ask why you must)
- Use strong passwords online (combination of letters, numbers, symbols)

What to do if your bank information has been compromised

If you're concerned your bank account information has been compromised, call Liberty immediately. We will take you through the steps necessary to further protect your information.

Employee Promotions at Liberty!

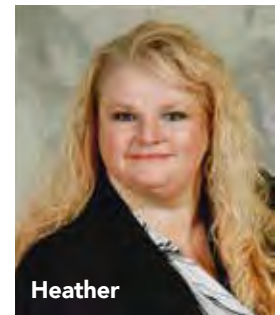


Melissa

One of the strengths of Liberty Bank Minnesota has been the long tenure of numerous employees. Many of our management positions have been filled by great people who have been with us for decades. That dedication deserves recognition and more responsibility.

Recently, several long time employees were promoted to management positions. They include:

- Melissa Pulliam, Vice President of Customer Service
- Amy Gohman, Vice President of Loan Servicing Operations
- Heather Evenson, Vice President of Branch Operations



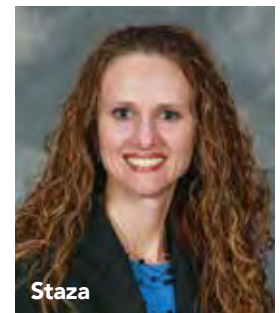
Heather



Amy

In addition, we are pleased to announce the addition of Staza Pany as our new Controller. Staza is a CPA with extensive public accounting experience. Welcome Staza!

Congratulations to these special folks who contribute everyday to our ongoing success. We look forward to working with you for many years to come.



Staza

LIBERTY SUPPORTS SARTELL

with a donation for the Sartell Community Center!



Sartell Mayor: Sarah Jane Nicoll
Liberty Representatives: Kali Gordon & Ron Welle

The Sartell Community Center is a special project that will serve all the citizens of Sartell. This facility will feature multi-purpose space, meeting rooms, gyms and outdoor gathering spaces. Liberty Bank Minnesota made the first contribution to this project in October. The large donation of \$50,000 will kickstart the fundraising efforts.



"We hope our donation inspires others to step up and support this important project. "It will eventually benefit everyone in the community and improve the quality of life. We are proud to be the lead donor," said Mark Bragelman, Liberty's CEO.

Tips For Increasing Your Credit Score



If you're troubled by your credit score, it is never too late to start working on improving it. Here are a few tips that can help.

- 1. Improve your credit-use ratio.** Part of what affects your credit score is the ratio of the amount you owe to the amount of revolving credit you have. So if you have \$5,000 in credit (totaled among your credit cards) and you owe \$4,000, your ratio is 80%. Typically, if your ratio is below 50%, your credit rating will be higher. To get that ratio down pay down your credit card and make it a personal goal to keep that ratio at 50% or less.
- 2. Pay your bills on time.** If you have a 30 day, 60 day, or 90 day late payment on your credit report (or worse, several of them), you're driving down your credit score. Make a habit of paying your bills on time. Do what works to remind yourself, set calendar notifications, email alerts, set up recurring bill payments or automatic withdrawals.
- 3. Pay off a loan.** Any time you pay off a personal, auto, or student loan, your credit score increases because you have less outstanding debt and because you showed that you can manage your debt properly. Once you've paid off a loan, try to allocate its payment amount to another debt so you can pay that one off even faster than you'd planned.
- 4. Diversify your credit.** Having only one type of credit account doesn't show a clear enough credit history to build your score. Having a personal loan or auto loan that you pay regularly will help. Try not to open up multiple new accounts at once, though—credit inquiries will

negatively impact your score; plus it's a red flag to creditors that says you might be desperate.



5. monitor your credit. Regularly check your credit report. You can get it for free annually by going to AnnualCreditReport.com. Not only can this help protect you from identity theft, it can also show you potentially errors on your record. If you do find errors, dispute them with the credit agency; positive resolutions will build your credit score.

Although it does not happen overnight, it is possible to build your credit score. And higher credit scores typically garner lower interest rates. So if you know you'll be in the market for a mortgage or a new car loan in the future, it's a good idea to start boosting that number as much as possible.

Here are a few additional credit tips:

Opening multiple new lines of credit in a short amount of time can take your score from great to good, or good to poor, really fast. If you plan to apply for a loan or a mortgage early next year, you will want your score to be the best it can be.

Opening several new card accounts in a short amount of time increases your likelihood to miss payments and gain finance charges as a result.

As a credit card holder, you'll receive an increased number of tempting offers to charge more to your credit card for deeper discounts. The more you charge, the less credit capacity you have available. You want to keep balances low to minimize finance charges and improve your credit score.