

ROSE HILL BANK

the hungry little bank



A neighbor. A banker. A friend.

Fall 2009



A message from Rocky

Rose Hill Bank Customer,

Our current economy has individuals, families and businesses alike all painfully conscious of where each dollar comes from and where it goes. As your neighbors, bankers and friends, we feel an obligation to watch our spending, to keep our costs down, and consider what effect our fiscal policies might have on those we serve. Unfortunately, the people who have authority over us apparently don't feel the same way.

Recently the federal government more than doubled the "premiums" Rose Hill Bank pays for the FDIC insurance that covers our customers' deposits. On top of that, they've levied a "special assessment" of 5% of our assets to help make up for the increasing losses from bank failures around the country – more than 75 so far this year. While Rose Hill Bank remains as strong today as at any time in our 100+ year history, it's worth noting that these failures affect the entire banking industry, including us. What's more, their impact in the form of higher costs has the potential to affect every depositor, including you.

At Rose Hill Bank, we're determined not to pass these higher costs on to our customers but rather to absorb them. We feel they're part of the cost of doing business; they certainly are not the result of anything our customers have done wrong.

Poor business practices in our industry and bad policy decisions in our government are costing the American taxpayer an astounding sum. Yet our government continues to demand accountability from you and me. When the examiners visit our bank, the first thing they want to see is that we're prudent in our budgeting and that we're living within our means. Meanwhile, our elected leaders keep spending money, living well beyond the country's means, which in reality is our means.

What does this pattern of reckless spending suggest for the future of our nation? Based on our government's ability to pay its debts, if the spending continues and the lenders (China) decide to call the notes, what position will that leave you and me in? As an experienced banker, if the government came to me today for a loan, I would have to look at their cash flow to determine their ability to pay back any additional obligation. My guess is I'd have to refuse their request. They wouldn't qualify.

Rocky Waitt, President

P.S. There's a lot of advertising out there today for consumer credit counseling services. Is anyone offering credit counseling to governments?



New Bank on the Corner Not New Kids on the Block

Richard Ciemny

Duane E. Harms

Lisa M. Ronen

Shawna Lebeda



Meet The Seasoned Management Team at our new West Branch, Ridge Road at 33rd St. North

The world's newest Rose Hill Bank opened Monday, September 14, at 3313 North Ridge Road under the leadership of four experienced bankers from Wichita and the surrounding area. Joining our team as **Vice President and West Branch Manager, Richard Ciemny** spent the past 17 years at First National Bank of Anthony, most recently as President. A graduate of Butler Community College, University of Alabama (Tuscaloosa), with a banking degree from the University of Wisconsin (Madison), Richard began his career in banking as a Bank Examiner for the State of Kansas in 1973. He subsequently worked at banks in Goddard, Anthony and Wichita.

Vice President Duane Harms is another First National Bank of Anthony alumnus, most recently VP and Loan Officer there specializing in consumer, construction and real estate loans. A graduate of WSU and the Colorado Graduate School of Banking, he spent more than a dozen years with community banks in Haysville and Wichita before holding management positions at three of the nation's top mortgage lenders. He returned to community banking in 2007.

Loan Officer and CSR Manager Lisa Ronen comes to us from Meritrust Credit Union in Wichita, where she most recently served as Branch Manager of the Tallgrass facility. Her 25-plus years in financial services includes customer service, marketing and lending positions at several banks in southwest and central Kansas. A graduate of Kansas State University, Lisa has also completed specialized courses in banking and management through WSU and the Kansas Bankers Association.

Customer Service Representative and Lead Teller at our new branch is Shawna Lebeda who first joined us as a Teller in 2001. Since 2005, Shawna has served as CSR/Lead Teller at our Augusta Branch.

For Rose Hill Bank customers who live, work or shop on the west side, the person-to-person style of banking you're accustomed to is now closer than ever. You've got a neighbor, banker, friend just up the road -- Ridge Road and 33rd Street North. Stop by and see for yourself!

Policy Change for ATM Deposits

Customers who make deposits at ATMs need to be aware of an upcoming change in our system. Due to increasing safety concerns, effective October 1, 2009, Rose Hill Bank ATMs will no longer accept deposits. Customers may continue to make deposits safely and securely at any Rose Hill Bank branch, in person, through the night depository, by mail, or by signing up for Direct Deposit (electronic transfer).

Rose Hill Bank Participating in FDIC's Extended Guarantee Program

The FDIC recently extended until June 30, 2010, a program providing unlimited coverage of deposits held in qualifying non-interest-bearing accounts. Mostly intended to benefit companies with payrolls, or anyone else who might need to keep large balances in a checking account, the program offers an amount of protection that is virtually unlimited, eliminating depositor risk entirely. As with any insurance, this additional coverage comes at a cost to us. However, we feel it is a price worth paying to give our customers just one more level of assurance that their money at Rose Hill Bank is safe.

A reminder that for interest-bearing accounts, Rose Hill Bank already provides our depositors FDIC insurance up to \$250,000 per account which, depending how their accounts are structured, can protect up to \$1,500,000 of a husband-and-wife's deposits.